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Life Association News

OFFICIAL ORGAN OF THE NATIONAL ASSOCIATION OF LIFE UNDERWRITERS

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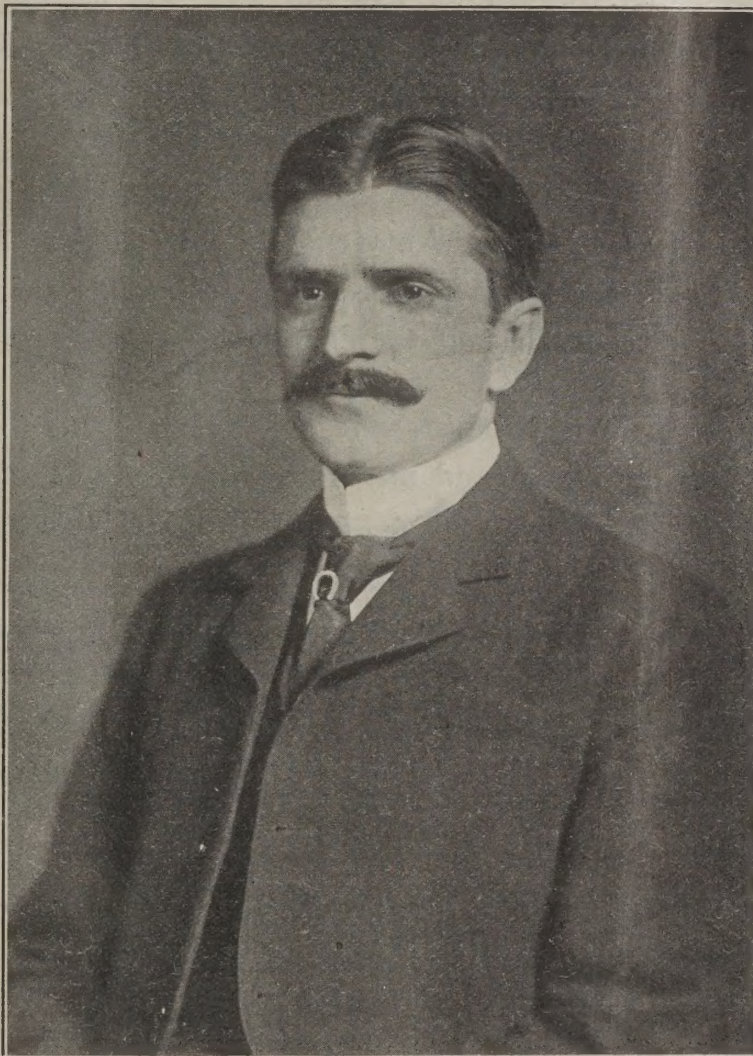
Vol. 8.

NEW YORK, SEPTEMBER, 1913.

No. 1.

ERNEST JUDSON CLARK

Elected President of the National Association at the Twenty fourth Annual Convention



Ernest Judson Clark is State Agent for the John Hancock Mutual for Maryland and the District of Columbia. He was born at Newtonville, Ohio, June 27, 1872, and received his education at Lebanon University. Mr. Clark has been an indefatigable worker for the National Association and was its Secretary for several years.

Later he was elected Chairman of the Executive Committee and has been a member of the Executive Council for several years.

Baltimore, Md., September 22, 1913.

Greetings to the Members of
The National Association of Life Underwriters

The Atlantic City Convention was not only the largest in point of attendance, but in the development of its program was doubtless characterized by more constructive thought than any Convention in the history of the National Association. Last year's gains in new Associations and membership were also unprecedented. The constantly widening influence, however, of the Life Underwriters' movement throughout the United States and Canada has now opened to us greater opportunities for real service in advancing the "best interest of the cause of true life insurance."

A new era has been ushered in—one of Education and Conservation; Education involving a higher and more scientific training of agents, and systematic instruction in the fundamental principles and necessities of life insurance for the benefit of the insuring public; Conservation in its relationship to the laws of health, the enormous waste from lapsation and surrender of insurance, the unnecessary borrowing on policies, and the reduction of burdensome and unjust taxation by the several States and Federal Government, now costing the policyholders in this country many millions of dollars per annum.

In this campaign your new officers ask the enlistment and co-operation of each member of every local Association.

Sincerely yours,

ERNEST JUDSON CLARK,
President.

TWENTY-FOURTH ANNUAL CONVENTION PRESAGES AN ERA OF EXPANSION.

RECORD BREAKING GATHERING INDORSES THE PLANS OF THE COMMITTEE ON EDUCATION AND CONSERVATION AND PLEDGES SUPPORT TO STEM THE TIDE OF UNJUST TAXATION.

Largest Meeting of Life Insurance Men in the History of the Profession Takes Action on These Important Questions and Provides For Non-Resident Membership For Local Association. Strong Staff of Officers Elected.

To chronicle the proceedings of the Twenty-fourth Annual Convention of the National Association, which was held at Atlantic City, September 15, 16, 17 and 18, the frequent use of superlatives is emphatically necessary. So far as records show it was the largest assemblage of life insurance men in the history of the profession. From start to finish every session was virile with vim, energy and interest truly unprecedented. All previous records in every respect were utterly eclipsed and enthusiasm never ran higher; the formal addresses were masterful productions, holding the tense and undivided attention of the audience; the discussions wonderfully illuminating and instructive.

With two new channels susceptible of practical accomplishment; one the Education and Conservation Movement and the other hinging on unjust taxation, the program was characterized by a breadth and comprehensiveness of purpose which undoubtedly presages a new era of association activity.

Meeting of Executive Committee.

The delegates and guests began arriving on Monday, the 15th, and continued to drop in one by one and by groups with every succeeding train. The Marlborough-Blenheim, headquarters for the Executive Committee, was naturally well patronized, and this was the center of much of the convention's activity. The meetings of the Executive Committee and the Executive Council were held on Monday at the Marlborough-Blenheim, and the various subjects to be taken up in the official reports of the officers during the convention sessions were threshed out at that time.

All sessions of the convention were held in the Ball Room on the Steel Pier, and at 10:30 Tuesday morning National President Neil D. Sills called the meeting to order.

The invocation was delivered by Rev. Charles Martin Niles, D.D., rector of the Church of the Ascension, Atlantic City. President John R. Fox, of the Philadelphia association, commented upon the fact that this was the first visit to Atlantic City of many of those assembled, and just to show that there was plenty of room for everybody, he said that the Boardwalk was seventy-five feet wide and nearly eight miles long. Several of the delegates who had selected hotels some distance from the Steel Pier were well ready to believe this statement.

President Edward W. Allen, of the New York association, in behalf of his organization welcome the visitors to the convention, which had been arranged by both the Philadelphia and New York associations as joint hosts. He touched on the subject of rebating and part-time men, and said that everyone must keep pegging away at this same old problem in order to eliminate this reprehensible practice.

The address of the Hon. George M. La Mont, Commissioner of Banking and Insurance of New Jersey, was well received, as the Commissioner had a pleasing humor which put his audience at its ease. He said he was glad to see the life insurance men for once sitting still for a time and giving other people a chance to do the talking, and referred to the days of life insurance before the Armstrong investigation changed the then-existing conditions.

The reading of the minutes of the previous meeting was dispensed with, as they had already been printed.

The address of President Sills was replete with interesting information as to the progress of the association during his administration. He reported visiting eighty-four associations during the year and traveling 32,000 miles in doing so. Mr. Sills gave the National Association 174 days of the year and occupied much of this time by calling upon the different insurance men in their offices, thereby securing first-hand information of conditions in the various local associations.

He stated that early in the year he had written to some live insurance man in every city of 75,000 or more where there was no association, and in most cases secured replies showing considerable interest. The letters which he received in this way gave him particularly keen insight into conditions existing in various places where associations might be organized. As a result of the interest arising from this campaign new associations were organized in the following places:

New Associations.

Tacoma, Wash.; Fargo, N. D.; Sioux Falls, S. D.; Capital District, at Albany, N. Y.; Duluth, Minn.; Fort Dodge, Ia.; Huntington, W. Va.; Wichita, Kan.; Texas, at Dallas; Roanoke, Va.; Lynchburg, Va.

The Texas association started with a membership of 133 and the new one at Albany with 120 members.

Associations were reorganized at Albuquerque, N. M.; Providence, R. I., and St. Paul, Minn. Three associations previously organized joined the National body, viz.: Akron, Ohio; Mobile, Ala., and Springfield, Mo. President Sills reported a net gain of 16 associations during the year, making a total of 84, and a membership of 3,616. This was a net gain of 921 members for the year, or 34 per cent. Different associations reported, however, 4,139 members, which was 523 more than were paid up. He recommended that the fiscal year of local associations should hereafter end in either January or February, with the idea that dues would be more readily paid in time for the National Association.

The work of Warren M. Horner and other members of the Committee on Education and Conservation during the past year was highly commended. President Sills stated that he believed that the time had arrived when use should be made of the great educational institutions and of the papers and magazines, with the idea of eliminating an almost universal ignorance of the great principles of life insurance.

Speaking of the work of local associations, it was pointed out how much responsibility lies at the door of a capable secretary. It is mainly through good work of local officers that the interest and attendance of the various local associations is kept up. He stated that the result of the good year was not due to any one person, but to the enthusiastic co-operation of all.

Vice-President Herbert R. Lewis, of Rochester, read his address, in which he told how much it had meant to him to be an officer of the association. He made particular reference to the value of convention clubs.

Vice-President S. E. Barber, of Topeka, Kan., and Vice-President John A. Tory, of Toronto, were unable to be present.

The report of Secretary Bolling Sibley summarized the work accomplished during the year. He was very complimentary in his references to President Sills, and referred to the attention which the Executive Council gives to promoting the welfare of the organization.

He reported various trips made during the year, including the inaugural meeting at Pittsburgh and the mid-year meeting of the Executive Committee in New York City.

Mr. Sibley called the attention of the convention to the good accomplished for the cause at the First Annual Northwest Life Insurance Congress held at Seattle in June, which was fostered by former National President Hubert H. Ward and W. D. Mead, of the Puget Sound association.

Non-Receipt of News.

The secretary also referred to complaints which had been received regarding the non-receipt of LIFE ASSOCIATION NEWS, stating, in part, as follows:

"Occasionally Mr. Ensign, corresponding secretary, receives complaints from members of local associations who claim that they are not receiving the News. All of these complaints are investigated, and in the majority of cases the fault lies with the secretary of the local association, and the complainant is, in most cases, a new member of a local association. Secretaries should bear in mind the rulings of the Executive Council with regard to the subscriptions to the News for members joining their respective associations during the year. The Executive Council has ruled that, in the absence of any constitutional requirement necessitating the payment of annual dues to the National Association on any other basis than that as outlined in the first sentence of Section I, Article VII, of the Constitution, the only thing that can be done in fairness to all concerned is for the secretary of the local association to subscribe to the News direct out of the funds of his association. This should be done on a pro rata basis; that is, if the member has joined nine months, or thereabouts, in advance of the fiscal year, June 1, remit to the News 75 cents; six months, 50 cents; three months, or over, 25 cents; less than three months, the News will be forwarded to the new members whose names are reported to Mr. Ensign."

Treasury in Good Condition.

Treasurer Eli D. Weeks, more familiarly known as "Uncle Eli," read his report, which exhibited a most excellent financial condition for the association. After concluding the report, he stated that he had been elected eighteen times to the office of treasurer and that he wished to retire from office, as he felt that the duties of his office should be entrusted to younger hands.

A resolution was accordingly made that a committee of two be appointed to draft appropriate resolutions on his faithful services, and it was so ordered.

Millard W. Mack, chairman of the Executive Committee, read the report of his committee and took up in a most comprehensive manner the various activities of the executive body during the year intervening since the last convention. He said that all associations had responded to calls for dues better than ever before, but still there were some delinquents. One of the most important recommendations made in this report, which was afterward adopted by the convention, was that of penalizing Executive Committeemen who absent themselves from two consecutive meetings of such committee. It was subsequently voted to amend the Constitution providing for substitutes to be appointed to fill places automatically so vacated on the committee.

Announcement was made that George W. Johnston, of New York, had won the Calef Loving Cup for the third time, on the subject of "Creative Soliciting, Rather Than Competitive." The winner of the second prize, the Ben Williams Vase, was R. O. Miles, general agent of the Connecticut Mutual at San Francisco, Cal.

As to the financial standing of LIFE ASSOCIATION NEWS, Mr. Mack had this to say:

Life Association News.

The report of the Publication Committee is indeed very satisfactory. The News, for its fiscal year ending August 31, 1913, has turned over as a dividend to the National Association the sum of \$1,500. This is \$500 in excess of the dividend declared last year, and the balance in the bank at the close of the fiscal year is \$312.85 more than the balance in the bank after last year's dividend was remitted to the National Treasurer. In other words, the \$1,500 dividend declared by the News this year is \$207 more than the entire working capital of the National Association ten years ago. In 1904 the annual dues paid into the treasury of the National Association were but \$1,293.

The cost of publishing the News is by no means decreasing. The cost of paper, composition and press work is constantly on an increasing scale. Notwithstanding this, the News shows the above results, and to its credit should be mentioned that in the year ending August 31, 1913, it published forty-four more pages of text and advertising matter than it did in the preceding year.

Incorporated in the Executive Committee report was the resolution approving the work of the Committee on Education and Conservation, of which Warren M. Horner, of Minneapolis, is chairman. The resolution was to the effect that the results so far accomplished by the committee indicated a widespread interest in the subject, and as a result it was recommended that the work of the committee be continued and that it proceed with the raising of funds for the prosecution of the work.

The report of the Committee on Law and Legislation was also included in the report of the Executive Committee, but was read by Chairman Dolph after Mr. Mack had concluded. This report went into the legislative situation in a most practical way, showing the vital points, and especially the danger of adverse laws which confront the companies and the business. He pointed out the necessity for education upon the subject of life insurance along the lines laid down by the Committee on Education and Conservation.

Resolution on Income Tax Bill.

Mr. Dolph then presented a resolution, which was adopted, and proved to be one of the features of the first day's session. It called upon the Conference Committee of the Senate and House to strike from the Income section of the Tariff Bill then and now before Congress that section which taxes the refunds to policyholders. This resolution, which was telegraphed to President Woodrow Wilson and to the members of the Conference Committee of the House and Senate, follows:

Resolved:—The National Association of Life Underwriters, representing 100,000 agents in all sections of the country, and the millions of the policyholders they have insured, respectfully request Congress to insert in the Income Tax Bill a clause expressly exempting from taxation the refunds or so-called dividends to policyholders. Any contrary provision is not only unjust, but it is inconsistent with the intent of the proposed law to force Companies to collect this tax from their 25,000,000 policyholders carrying an average insurance of \$650, but a small fraction of whom have incomes of \$3,000; the earnings or refunds of members of kindred institutions such as fraternal and assessment life insurance companies, mutual fire insurance companies, savings banks and building and loan associations, are expressly exempted. Therefore, to tax the refunds or so-called dividends returned to life insurance policyholders is an indefensible discrimination.

The Manhattan Life

T. E. LOVEJOY, President

¶ Old Fashioned General
Agency Contract with
Exclusive Territory.

JOHN F. ROCHE, Vice-President

We have no interest in the tax imposed upon stockholders, but in behalf of our millions of clients who look to us to protect their interests, and with whom we are in daily contact, we emphatically protest against such discrimination. It should not be a function of Congress to discourage thrift or increase the burdens of provident nor tax funds expressly intended for widows and orphans, whose care would otherwise fall upon the State.

America is the only country in the world, civilized or uncivilized, imposing an income tax upon life insurance in times of peace. We urge Congress while not yet too late to correct an act of injustice and wrong unprecedented in Income Tax laws of any country and any time.

NEIL D. SILLS, President.

BOLLING SILBEY, Secretary.

A committee with Edward A. Woods, of Pittsburgh, as chairman, and Mr. Dolph as the second member was then appointed to draw up a resolution setting forth the ideas of the life underwriters present as to the tax situation.

Northwest Insurance Congress.

W. D. Mead, of the Puget Sound association, was then called to the platform to give an account of the Northwest Insurance Congress recently held at Seattle. He advocated the holding of similar gatherings in other sections of the country.

At the close of the morning session Frank D. Buser, of the Philadelphia association, chairman of the General Convention Committee announced the social features for which arrangements had been made.

It was 2:40 p. m. before the delegates returned from luncheon for the first feature of the afternoon session, which was the address of Norval A. Hawkins, manager of sales for the Ford Motor Company at Detroit. Because of the illness of the author, this address was read by H. Wibirt Spence, president of the Detroit association. Before beginning to read the address, Mr. Spence asked those present to devote a moment to silent prayer for the recovery of Mr. Hawkins. This proved a touching tribute to a man who has made his name in the world of advertising, and whose address on "Putting Life Into Life Insurance" was a veritable masterpiece.

Address of Norval A. Hawkins.

* If Mr. Hawkins had been a practical life insurance man he could not have made a more telling talk on the proper publicity of life insurance. The address, too lengthy and far too excellent to permit of a summary, is given in full elsewhere in this number.

Mr. Spence was frequently interrupted by applause, and was compelled to silently acknowledge an outburst of vocal enthusiasm and hand-clapping at the conclusion of the paper.

On motion of Darby A. Day, a telegram of thanks was sent to Mr. Hawkins at the Detroit Hospital, with the hope that his recovery would be a speedy one.

Chairman Sills then recognized Edward A. Woods, who read the following resolution, which was referred to the Executive Committee:

American life insurance is not an institution for making profits, but for distributing losses. Through this agency, 25,000,000 Americans voluntarily provide for their families and their old age, something that Germany, England and other countries are compelling at government expense. The billions of insurance is the striking answer of the American nation to the world's charge of extravagance and lack of thrift. Yet, the United States is the distributing machinery to levy, collect and have

handed over to the governments of the various States and nation enormous funds in the guise of taxes.

Originally for the sole purpose of covering cost of supervision, the States alone are now collecting, exclusive of taxes on real estate and the new Federal income tax, \$12,000,000 annually; six times that collected in 1890. In 1860 the States took 70 cents from each \$100 paid by policyholders; now they take \$2.00. Piling injustice on injustice, the Federal Government, under the present and previous administrations, has added to the exactions of 48 States, contrary to the vigorous protest of all insurance men. These taxes are levied regardless of sound principles of taxation. The laws vary and conflict in different States. Regular life insurance is singled out while fraternal and assessment are exempted.

The amounts thus taken from policyholders would provide half a billion additional insurance for women and children; or increase the refunds of policyholders over 15%; or pay all executive salaries of all companies several times over; or reduce expenses about 8%. Recent State legislation has reflected the popular demand by restricting expense, and therefore reduced cost to the policyholders. Yet this movement is defeated just in so far as taxes are maintained and increased.

Such taxes, peculiar to this country, are, as John Stuart Mill well said, "a discouragement of prudence and forethought." The Committee on Insurance Law of the American Bar Association has well said: "It is just as dishonest for a State to lay unkind hands on trust funds as for an individual to do it;" and: "It is a monstrous injustice for a State government to maintain itself by legislative raids upon trust funds and the climax of cowardice to commit extortion in the name of the police power."

The Life Underwriters, representing all companies, all sections, all political opinions, coming personally and closely in contact with policyholder and lawmaker, have the opportunity and the obligation of safeguarding their clients' interests in these matters.

THEREFORE, BE IT RESOLVED:

1st. That Life Underwriters everywhere be urged to acquaint themselves with the inequity and inequity of this governmental burden, and upon all proper occasions, particularly when expenses or refunds are criticised, to denounce this wrong taxation policy of States and government and aid company officials in every way in opposing it.

2nd. That the 100,000 Life Underwriters assume, as their special duty, the awaking of public sentiment not only against any increase of this already iniquitous burden but for its decrease.

3rd. That a Committee on Taxation be created by the National Association to resist every increase, and secure every possible decrease, of taxation.

4th. That we recommend that every local Association maintain a similar Committee.

5th. That we recommend that every Underwriters' Association devote one meeting each year to vigorous discussion of life insurance taxation, that all agents throughout the field may be in position to intelligently oppose this growing exaction.

6th. That the "Life Association News" be requested to constantly aid this campaign.

"The Education and Conservation Movement" was intro-

I invite you to
**Come to the Pacific with
San Francisco in 1915**

AND TO

**“Come to the Pacific
with Ward”**

Now and All the Time

HUBERT H. WARD

Manager Pacific Northwest

Pacific Mutual Life Insurance Co.

Spalding Building, Portland

Hoge Building, Seattle

duced by Warren M. Horner, chairman of the Education and Conservation Committee of the National Association. Mr. Horner delivered a report which gave unmistakable evidence that the committee had given exhaustive study as to the best means to effect the desired result in spreading broadcast a popular knowledge of life insurance. Throughout the address there was a ringing tone of optimism, and the facts which he brought out in his usual forceful manner produced a profound impression on the audience. The full text of Mr. Horner's address is given on another page of this number.

During the discussion which followed it became strikingly evident that there was no abatement of interest in the project and that, instead of an abandonment of the original plans, the committee were more confident of ultimate success than ever.

Spurious Advertising.

Edward A. Woods was the first speaker, and brought out several strong points in the following manner:

"Too much money is spent in spurious advertising. That is, advertising in spurts. Companies advertise a half or a full page once a year, or perhaps for a few months and then stop, and then complain that the advertising did not pay. This sort of advertising is an absolute waste of money. Others publish certain statements or long columns of figures that no one but an actuary could understand, or a list of the officers, which only bring to the mind of the prospect or the policyholder the number of salaries that are to be paid before he will get his dividends. It is to be very much regretted that life insurance companies will not unite on at least one thing. I have never known them to unite on any other, and that is with a view of correcting this misdirected economy. Put human interest in advertising, and put it on a basis of common interest as to the value of insurance as furnished by all good companies. I would suggest that a certain amount be contributed to this end, and the business returns would more than justify the expenditure in this direction. But do not have it as it was in old times. I remember an advertisement of how much better one company was than another. Advertising, as everybody knows, is merely fertilizing the soil, but you cannot simply fertilize the ground and expect the crops to grow without planting the seed, and yet that is the way some advertising is carried on."

Conservation.

It was the opinion of Louis L. Hopkins, of New York, who was the next speaker, that there was opportunity for much good work in the conservation of insurance in force, conservation of health and conservation of public good-will.

"We contend," said Mr. Hopkins, "that if it is worth while for the companies to spend so much money to induce men to insure their lives, it is surely worth some expenditure to keep the insurance in force. If the companies exercise so much care in getting unimpaired lives on their books, it is worth while to spend some money and thought in keeping them unimpaired and reducing mortality. And if it is good business to spend large sums in printer's ink to interest men in insurance, it is worth while to maintain their interest after they are insured. We submit that this non-partisan education and conservation movement will help the companies in solving these problems at a minimum expense, better than could be done by any partisan or company campaign."

Jules Girardin, of Chicago, voiced his sentiments in no uncertain terms.

"This plan of education and conservation," said he, "is bound to succeed. It cannot fail if we persist. Nothing progresses quite as slowly as progress. Some of us can remember when the necessity was foreseen for incontestable and non-forfeitable policies, for thirty-day grace clauses, for loans on policies, and for many other liberal

features, how we were met with opposition, supported by all the logic of mathematics and accumulated statistics, and sworn to by all the gods of mythology and Paganism that such things could not be safely done. The present-day life insurance policy contracts speak eloquently of the absurdity of these fears and justify the persistence that finally secured these absolutely equitable privileges, and time will win victory for the enterprise in which we are now engaged.

"I am so firm a believer in the efficacy of public education that I am willing, if the proposition is adopted by field-men generally, to contribute to the campaign all of the required percentage of the annual paid-for business at my agency, leaving nothing to be borne by my company, and besides give the companies, if necessary, absolute control of the committee appointed to carry out the work, because of my firm conviction that public enlightenment will be a most successful achievement for the good of life insurance and its patrons."

Ward Gives His Opinion.

Hubert H. Ward, who is not only a conspicuous success as a life insurance man, but who may justly claim to be an advertising expert, said in part:

"Advertising in life insurance is the only antiquated thing now attached to the companies. Most of the money is thrown away because the advertising is unscientific. If the medical departments were run in the same unscientific way the mortality of the companies would be excessive. If the actuarial departments were as unscientific as is life insurance advertising the companies would soon be bankrupt. If the investment departments were as unscientific the companies would soon be in the hands of receivers. Arithmetic is the first of the sciences and the mother of safety. Two and two make four, but never five. Arithmetic in the actuarial department takes care of hundreds of millions. Arithmetic applied to present advertising methods shows that we are wasting money on the impossible. Arithmetic applied to scientific advertising methods will open our eyes and show us the way to a successful interview and the getting of business that will stick. The seed of institutional advertising has been planted. The harvest will come. If the ground in which this seed has been planted is cultivated the harvest will be prolific. If neglected the harvest still will come, for the seed is there, but that harvest will be one of weeds—not wheat. Shall we let the weeds and the wheat grow side by side or shall we cultivate the wheat by an effort at elimination of the weeds?"

Educating the Women.

Charles Jerome Edwards believed that splendid progress had been made by the committee, and Charles W. Scovel drove home several telling arguments. Frederick S. Jones, of Philadelphia, thought that all plans of the committee should include the idea of educating the women of America as to what life insurance really meant to them.

Ernest J. Clark was of the opinion that the taxation question offered a large opportunity for popular education. Secretary Bolling Sibley contributed some good points, and the symposium was closed by Darby A. Day, who made a plea for educating the agent before making an attempt to educate the public.

Just before the adjournment of the session the Nominating Committee was appointed, with instructions to report at the Thursday afternoon session.

The Wednesday morning session started off auspiciously with an increased attendance. President Sills called the convention to order shortly after 10 o'clock and stated that Hon. A. J. Montague, member of the United States Congress and a former Governor of Virginia, had been unavoidably detained at Washington. Mr. Sills then introduced Charles W. Scovel to fill the vacancy, dubbing the latter gentleman the "War Governor" of the association. In explanation of

The Germania Life Insurance Company OF NEW YORK

ESTABLISHED 1860

Assets approximately \$50,000,000 - Insurance in force \$145,000,000

New Business issued first eight months, 1913, \$16,000,000

Attracts Both the Life Underwriter and the Public

THE LIFE UNDERWRITER

because of its liberal agency and policy contract which make it profitable and easy to sell Germania goods.

THE PUBLIC

because of the Company's reputation for fair dealing, its unexcelled financial strength, and its conservative, yet progressive management in the interest of its policy-holders.

THE PROOF

of the Germania's popularity is shown by the fact that the new business issued in the United States during the first eight months of 1913 is nearly 40% in excess of that for the same period of 1912, which year was the most successful in the company's history.

THE LAST WORD

in Life Underwriting is contained in the new policies which the company will place upon the market on October first.

General Agency Openings can be made for a few ambitious young life insurance men of ability and experience.

Address

HOME OFFICE

50 UNION SQUARE

NEW YORK CITY, N. Y.

the title of honor, Mr. Sills explained that Mr. Scovel had been president of the National Association during the Armstrong upheaval.

Mr. Scovel's remarks were so much appreciated that several members on the floor expressed the opinion at the end of his speech that they were glad that the former chief executive of Virginia had found it impossible to be present.

Mr. Scovel selected as his subject "The New Family Service of Life Insurance." He confined his remarks exclusively to the service which life insurance does to the family, and its protection for dependent ones left behind, leaving out of consideration the entire group of service rendered by life insurance to the community and the State, and to the individual by way of savings and old age provision. No mention was made of life insurance in its relation to business firms and corporations.

The New Family Service.

"Gentlemen," said Mr. Scovel in concluding, "when we look the plain facts in the face we see that the leaving of any sum of money falls most pitifully short of fulfilling the purpose of real, lasting family protection. Life insurance has not been really doing the thing we sold it to do! This was not the fault of life insurance. Its proceeds were just as good protection as any other money the dead man could leave. Nobody knew any better way excepting only the Trust Company way, open only to men of larger means as a rule.

"The fact is the world has long needed a whole new line of financial service—needed it without knowing it, just as it for centuries needed the printing press, steam, electricity, without knowing it.

"That new service is here. Life insurance has evolved it. It begins like the old service at that time of greatest need, the time of death—but it doesn't stop there! It doesn't leave the distraught widow to her own devices or to a chance adviser. It not only supplies the money, but applies it also. And it applies it just as the husband and father did himself, in a regular monthly sum to meet the current monthly expenses.

"This monthly sum can be made much larger than a safe rate of interest on the principal, if otherwise invested, would amount to. And yet, it will continue coming to the very end of the widow's life, however long; and though she die early, it will keep coming for twenty years in all, long enough to bring up the youngest child to maturity. Or, this monthly sum can be made just to equal a safe interest rate on the principal, and on this basis continue through the mother's life, and then throughout the children's lives, and then to their unborn children until twenty-one years of age, and at that distant time to have the whole untouched principal finally paid to these grandchildren. And of these two fundamental plans there are sundry varieties and combinations to fit all kinds of protective purposes in all future contingencies."

Life Income Contracts.

The next feature on the program was the five-minute discussions on "The Advantage and Security of Life Income Contracts." Former National President Hubert H. Ward presided as chairman.

The first speaker was F. A. Griswold, of Hartford, Conn., who gave a number of concrete examples and stated that life income insurance did for the poor man what the trust companies were doing in managing the estates of the wealthy.

James M. Dickey, of the Erie association, followed and quoted several experiences which had come to his attention where life income insurance had been needed, and others where it had been applied successfully.

Jules Girardin, of the Chicago association, introduced his remarks by a story which provoked a volley of laughter, which lasted fully two minutes, but becoming serious, Mr. Girardin said that he considered it criminal to sell life insurance under certain conditions without placing it on the monthly income basis.

John L. Shuff, of Cincinnati, was the next speaker, and he believed that it was dangerous to leave a widow with a large sum of money, and advised distributing this principal over a period of twenty years or more, as it is possible to do in a life income policy.

Henry H. Kohn, president of the recently organized Capital District association, at Albany, and consequently a new figure at conventions, made a decided hit with his audience in a brief and forceful talk. He said:

Views of Henry H. Kohn.

"Mr. Ward stepped in front of my chair and asked me to say a few words.

"I am reminded of the fact that one of our writers has said that a widow is a shining mark for mining sharks, and there is a great deal of truth in that. There are mining sharks that don't sell mines. In France you very seldom hear a man say that another man is worth \$100,000 or 100,000 francs. They figure wealth of income. He is worth \$10,000 or 10,000 francs a year, and that is just the situation here. It is not the principal. It's the income, definite, secure, permanent, countable income that counts with a man and with a widow. Some years ago I had occasion to be in Manchester, N. H., where an agent made a settlement of a death of \$1,000. He went to the house to get the release of the policy and deliver the draft. In the afternoon when he came back from his lunch and I met him at his office, he told me that he had occasion to go into a certain dry goods store there and saw there a woman with her pocketbook crammed full of bills, making miscellaneous purchases from the proceeds of the policy on the life of her husband. Poor, deluded woman: a reflection on the life insurance business, that would make such a condition possible, and I don't think the insurance company had a very high place in the mind of that woman or her children or her connections, and whenever a settlement is made by any of you men or by any agency throughout the United States, make it less easy for the mining shark to attach himself to that widow when the proceeds are paid in a lump sum. Nothing results but bitterness and income life insurance is the only thing that will permanently prevent it."

A Good Suggestion.

J. J. Jackson, of the Cleveland association, and a former vice-president of the National Association, believed that salesmanship was a matter of service. In his own case he makes it a practice to draw wills for people, and in the past few years he has drafted over 500 such documents. The next step was to introduce the subject of life insurance, and he found that having done a man this favor, and also having gained information as to the possible size of the policy he would accept, he could present his case effectively.

Percy V. Baldwin, a member of the Boston association, as well as a member of the Executive Council of the National body, gave a brief talk in which he stated that the only policy in life insurance which is without value is the one that does not exist. He claimed that the average woman does not know how to invest her money, especially when she is dependent upon the proceeds of a life insurance policy.

Graham C. Wells, of Pittsburgh, called attention to the fact that a man could double the income for his estate by taking out a life income policy. "I believe," said he, "if you will explain to a man the necessary details and the costs of court in the process of the settlement of an estate he will see the value of a monthly income policy without costs or fees."

L. H. Brown, of Columbus, said he found an idea which was useful to him in soliciting by seeing his own children playing around his desk. He thought it would be a nice idea to leave his children a certain fixed sum, perhaps at Christmas, and in repeating the incident to a friend he was immediately able to sell him a life income policy.

Superintendent of Agencies A. A. Drew, of the Mutual

(Continued on page 14.)

THE NATIONAL LIFE INSURANCE COMPANY

will place new policies on
the market October first.

Liberal non-forfeiture values.

No restrictions on travel, residence, occupation or military and naval service from date of issue.

Participation of dividend additions and dividends left on deposit.

Post mortem dividends.

Improved instalment settlements, with liberal participation in high interest earnings.

Accelerative paid-up and endowment options through surplus accumulations.

Convertibility to other forms.

Full participation of paid-up insurance resulting from lapse.

Life option in Endowment contracts, without medical examination.

Endowment option in Limited Payment Life contracts.

No freaks or frills, but a plainly expressed contract, guaranteeing **the best life insurance service.**

Backed by this strong company and supplemented by large dividends, these flexible and adaptable contracts offer a great opportunity to the man of ambition and ability who wants to insure his future in the business. A limited number of good general agency contracts can be secured by the right men with this old Company in next few months.

Address: Agency Department

National Life Insurance Company
MONTPELIER, VERMONT

Pife Association News

A MONTHLY JOURNAL DEVOTED TO THE INTERESTS OF ALL
LIFE INSURANCE AGENTS.

PUBLISHED BY THE

NATIONAL ASSOCIATION OF LIFE UNDERWRITERS

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ARTICLE II OF THE CONSTITUTION.

"The object of this association shall be to advance the best interests of the cause of true life insurance."

Address all communications to

EVERETT M. ENSIGN, Editor and Manager.

Telephone, 4244 John.

LIFE ASSOCIATION NEWS, 56 Pine Street, New York City.

This newspaper is owned by the National Association of Life Underwriters, unincorporated, a voluntary association; Neil D. Sills, president, 817 Mutual Bldg., Richmond, Va.; Bolling Sibley, secretary, Central Bank Bldg., Memphis, Tenn.; E. D. Weeks, treasurer, 49 Pearl street, Hartford, Conn.

SUBSCRIPTION PRICE \$1.00 A YEAR IN ADVANCE.

BURSTING THE BONDS.

For twenty-four years the National Association, through its affiliated local bodies, has been conservatively, but none the less effectively, building a powerful working organization. During this time much energy has been directed toward establishing a high standard of ethics of field procedure; indeed, the association's activities have been devoted almost exclusively to this purpose and in the extension of the propaganda with the intention of securing new members who would pledge themselves to the "square deal."

To-day the National Association presents a solid front with 3,500 life insurance men in the ranks. During the past twenty-four years *it has been responsible for practically every reform accomplished in field methods*, and quite naturally such reforms have not been limited in influence to its own members. It has secured a general adoption of and adherence to the Anti-Rebate law; under its influence the twisting of policies and the twisting of agents has been generally abolished; it has created constructive salesmanship where unfair competition once flourished; it brought about the modification of Section 97. These are but a few of the many reforms for which the National Association justly claims credit.

All agents of all companies, no less than all companies have enjoyed and waxed more or less prosperous under the improved conditions. As the interests of the agents and the policyholders were interlocking, the public, to a large extent, began to look favorably upon Life Insurance and its representatives. But, notwithstanding all this, strong as may have been the desire, urgent as may have been the call, the National Association in times past did not have the capital nor the numerical strength to actively participate in matters affecting the relation of Life Insurance, as an institution, to the people at large.

It must be apparent, however, to those who attended the recent gathering at Atlantic City that the Twenty-Fourth Annual Convention marks the beginning of an era of expansion, wherein the unswerving principles of business relationship with the policyholder, already firmly established, will be adhered to with greater tenacity than ever; wherein an opportunity will be given for the life insurance men of this country to work out a practical solution as to the apathy of the general public as to what Life Insurance really is; wherein the amplification of scope and comprehensiveness of two great problems will permit the National Association to burst its bonds and endeavor to perform on a magnificent scale its altruistic duty to mankind.

The National Association has given its unqualified indorsement to two problems of the first magnitude: one the Education and Conservation movement, while the other takes into consideration the enormous bur-

den of taxation imposed upon the business and through a resolution adopted seeks to stem the tide of this monstrous injustice.

As this resolution states, the amounts taken from policyholders through various taxes imposed would provide half a billion additional insurance for women and children, or increase the refunds of policyholders over 15 per cent.; or pay all executive salaries of all companies several times over.

The *Insurance Field* makes a startling comparison in a recent number by stating in substance that, at the present rate of taxation, the insurance companies will lose in the next fifty years as much insurance as they have accumulated and now keep in force after seventy years of labor.

Edmund Burke said, "Time is required to produce that union of minds which alone can produce all the good we aim at. Our patience will achieve more than our force." We quote this as introductory and in reference to the report of the Committee on Education and Conservation as delivered by its chairman, Warren M. Horner. It is not surprising that this committee was unable to accomplish with the companies all that it contemplated doing. A consummation of the plan as originally proposed with regard to donations from the various companies, in less than a year's time, would have been nothing less than miraculous. That *some* companies agreed to contribute is not only a source of satisfaction, but it shows that a good beginning has been made and indicates that the tide has turned in a favorable direction. More than this should not be expected at the present time, but ultimate success is certain.

Said Edward A. Woods at the convention: "It is to be very much regretted that the companies will not unite on one thing, at least. I have never known them to unite on any other." Whatever is said or done, the Education and Conservation matter offers unlimited possibilities and without doubt some practical plan permitting of immediate action will be evolved and promulgated at the inaugural meeting in Pittsburgh next month.

While the question of Education and Conservation and the Taxation problem have been regarded as two distinct channels of association activity, it would seem that the ultimate solution of both run in parallel courses. The EDUCATION of the public and the lawmakers means a reduction and possible elimination of oppressive taxation; reduction or elimination of unjust taxation spells CONSERVATION in its truest sense.

Then there is another point which will hinge to a greater or less degree upon education. It is evident that the same educational methods which it is proposed to employ with the people must be used with company officials, should the Committee on Education and Con-

servation decide to still consider the companies in connection with the project. As Lowell said, "Things in possession have a very firm grip. One of the strongest cements of society is the conviction of mankind that the state of things into which they are born is a part of the order of the universe, as natural, let us say, as that the sun should go round the earth."

SOMETHING TO THINK ABOUT.

If the service lies in insuring the lives of protectors and bread-winners, we must also encourage and teach them to hold to the insurance they already carry. And on this point I submit the following figures from the reports of the New York Insurance Department for the years 1911 and 1912:

No. Pol's in force Dec. 31, 1911..... 7,001,913
 Ins. in force Dec. 31, 1911.....\$12,803,317.544
 of which there was terminated in 1912:

	No. of Policies.	Amount of Insurance.
By surrender	147,731	\$276,616,499
By lapse	211,609	366,276,434
	359,340	\$642,892,933
	5.13%	5.02%

Eliminating surrenders, we have 211,609 lapsed policies, which are bad enough, nearly 3 per cent waste. If we add the tremendous lapse ratio of companies not reporting to New York, the figures would be simply astounding.

This compilation does not include decreased policies amounting to \$42,000,000.

Consider for a moment the meaning of 359,000 lapsed policies—possibly 359,000 widows or groups of orphans deprived of protection, aggregating \$642,892,933—much of which perhaps was discontinued because of ignorance of the principles of life insurance or policy contracts. What a sacrifice of the well-being of helpless women and innocent children upon the altars of ignorance and misunderstanding!

JULES GIRARDIN.

(Continued from page-10.)

Benefit, made a few brief remarks on the great possibilities of this form of contract. Mr. Drew agreed with the previous speakers that it was a most beneficial and adaptable form of insurance contract. He urged the delegates present to encourage it in every possible way.

Meyer Harrison, of the Denver association, claimed that the life income policy was the very best solution of the social problem. According to Mr. Harrison, the principles of this form of contract should be taught in the schools, and in this way information would be carried to the parents of the children.

J. Edward Meyers, of the Minneapolis association, discussed the influence which the passage of the Workmen's Compensation Laws had had in drawing attention to the sacredness of life. He believed that because of calling attention to the human factor the life insurance business was receiving more consideration than ever. Mr. Meyers believed that it was well to go after the small purchaser of life insurance. "You are busy," said he, "writing the man of means who can afford \$10,000 or \$20,000, but what about the poor devil who has to have \$2,000? How are you going to help him?"

Chairman Ward interjected some remarks at this point, based upon his own experiences. He said that he had made it a practice to suggest to his agents that they themselves should take out life income policies. In this way he believed they could talk much more effectively about the subject.

The remarks of F. H. Hyatt, of the South Carolina association, had to do with the present-day hostile insurance legislation.

Address of Henry Abels.

One of the features of this session which was not on the program was an address from Henry Abels, secretary of the Franklin Life, who was recently elected president of the American Life Convention. Mr. Abels pointed out how the interests of the companies and their agents were interlocked and how these interests were affected by the same conditions. He thought that there should be a closer affiliation between the company organizations and the agents' organizations, and made the suggestion that the influence of life insurance for good would be greatly advanced if co-operative measures could be arranged for regularly by the National Convention of Insurance Commissioners, the Association of Life Insurance Presidents, the National Association of Life Underwriters and the American Life Convention.

Prize Essays.

The presentation of the prize essay trophies was, as usual, one of the interesting events of the meeting. H. M. Willet, of Atlanta, made the presentation speech for the Calef Cup and presented the trophy to the winner, George W. Johnston, of New York City. He also presented Mr. Johnston, on behalf of the association, the Calef Cup medal, to be held permanently by the latter gentleman. Mr. Johnston personally read his essay, and at its conclusion Chas. Jerome Edwards, on behalf of the Executive Committee, offered a resolution complimenting Mr. Johnston on winning the cup for the third time and extended congratulations to him from the National Association.

To H. Wibirt Spence, of Detroit, fell the honor of presenting the Ben Williams Vase. W. L. Hathaway, of San Francisco, received the trophy on behalf of R. O. Miles, of that city, who was unable to be present. Mr. Hathaway said that it was the purpose of the Pacific Coast associations, especially the four leading ones, to start a prize essay contest among themselves in order that they may be prepared next year to take both cups to the Pacific Coast, to hold them there for the meeting of the World's Insurance Congress in 1915.

The convention hall was well filled when President Sills rapped for order Thursday morning. Secretary Sibley read telegrams of regret from William J. Graham, manager of the Group Insurance Department of the Equitable; Frank E. McMullen, of Los Angeles, former president of the asso-

ciation, and President Jesse R. Clark, of the Union Central, of Cincinnati.

The presentation of a set of resolutions and a gold-headed cane to "Uncle" Eli B. Weeks, who retires this year after eighteen years' service as treasurer, was scheduled. Mr. Weeks was not present, but the resolutions were read, commending his faithful services, and expressed the hope for many years of future activity.

Agency Manager Winslow Russell, of the Phoenix Mutual, made one of the most striking addresses of the session. He sounded a call for efficiency under the new conditions facing the life insurance profession, and said that this might be improved by the interchange of views between various underwriters in the business. He acknowledged that no one company has discovered a panacea for all the evils that beset the business, but declared that there were some general remedies which might be followed throughout the field.

Mr. Russell, who is a past master in the art of developing agents, has been very successful by his unique methods, and his charts proved by concrete examples the benefits he obtained by the systematic working of any given field.

Efficiency Methods.

Wilson Williams, general agent of the New England Mutual at New Orleans, discussed efficiency methods as tried out by himself. He said satisfactory results were obtained largely by intelligent application of thought. He also reminded those present that an agent's standing in his own community should reflect the good character of the management. Reference was made to the use of circulars and other forms of literature, which were not used with any idea of closing a prospect, but simply to put agents in touch with those who might be interested in securing insurance.

Royal S. Goldsburly, general agent of the Northwestern Mutual, and president of the Pittsburgh Association, in his address remarked that there is wisdom in knowing what to do, and skill in knowing how to do it. He advised his field agents to be managing agents at night, in so far as it meant looking up prospects and laying out work for the day. The next morning, however, the managing agent should become an active solicitor and carry out the plans which he formulated for himself on the previous night.

General Solicitor Edward D. Duffield, of the Prudential, delivered a stirring address on the subject of "Underwriting and Citizenship." His remarks were extemporaneous, but none the less telling. He illustrated his point by numerous anecdotes which kept the gathering intensely interested. According to Mr. Duffield, both life underwriters and lawyers had much in common, in that they "earned their bread by the sweat of their jaws." It was his belief that both professions were frequently maligned by the unthinking public and that it would be a difficult matter to fill the responsible positions held by lawyers and life insurance men in the world's work if these two classes were eliminated.

Address of Edward D. Duffield.

The speaker discussed the elements which are necessary for the make-up of a successful underwriter, and said that the gospel of work was one of the most important characteristics which was necessary; that an efficient underwriter should also be a thinker and should likewise be a builder, and build up rather than tear down. Mr. Duffield contended that a successful life agent must also thoroughly believe in his occupation and be interested in something more than the mere scramble after commissions; he must believe in his company. "In my opinion," said the speaker, "it is better to encourage a partisan feeling if necessary, as partisanship is advisable when it is used to a good purpose."

He referred to the fact that we are living to-day in an age of moral awakening, but inefficiency still exists in the conduct of Government affairs. The problem was how to improve present conditions. Mr. Duffield was given a vote of thanks by the convention at the conclusion of his remarks.

Hubert H. Ward presided during the five-minute discussions of the subject of "Local Associations." This subject was sub-divided under four heads as follows:

An Opportunity for Money Making

The Prudential

provides all the requisites for success in
Life Underwriting

1. A Company of great financial strength, prestige and popularity.
2. Policy Contracts low in cost, every feature Guaranteed—Attractive to the public.
3. A Favorable Agency Contract under which a man can work with satisfaction and profit.
4. Open territory throughout the United States and Canada.

Every opportunity is given to Agents to acquaint themselves with the business and become producers.

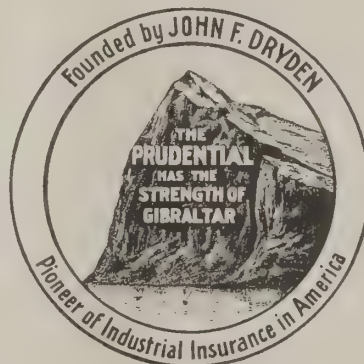
Write to-day for particulars

The Prudential Insurance Company of America

Forrest F. Dryden, President

Home Office, Newark, N. J.

Incorporated as a Stock Company by the State of New Jersey



- A. The Reason for Them.
- B. Individual Responsibility of Membership.
- C. Most Effective Form of Program.
- D. Non-resident Membership.

Many valuable points were brought to light, and nearly all of the speakers easily confined their remarks to the time limitation of five minutes each. A notable exception was in the case of Herman Fellingner, who is general agent of the Pacific Mutual at Cleveland. Mr. Fellingner has a strong sense of humor and knows how to display this characteristic to its best advantage. He discussed the new anti-rebate laws in Ohio and told how the local associations throughout that State had been responsible for placing such laws upon the statute book. Mr. Fellingner became so enthusiastic over his subject that Chairman Ward was compelled several times to call his attention to the time limit assigned. Mr. Fellingner retired with well-feigned reluctance, shouting out to the delegates that he "came to make a speech, not a little talk."

Publicity for Local Associations.

W. D. Mead, representing the Puget Sound association, was the next speaker, and put particular and characteristic emphasis upon the proper handling of publicity matters by local associations. He made a brief reference to the publicity which he and several other members of the Puget Sound association had secured prior to and succeeding the First Annual Northwest Insurance Congress.

Dr. H. C. Castor's remarks had to do with the necessity of providing interesting forms of program and entertainment. He aroused considerable enthusiasm in his audience when he stated that the program for the meetings of the Chicago association had been made so interesting that even laymen were anxious to become members of that association.

Jules Girardin advocated a restriction of life insurance commissions to the members of local associations.

Eugene B. Stinde, of St. Louis, spoke on the necessity of eliminating the part-time man and the broker, while Hugh M. Willet told of association matters in the South and mentioned the slogan of the Georgia association: "The Gentleman in Life Insurance."

Elmer E. Silver, of Boston, believed in frequent gatherings to keep up interest in association work.

Bernard R. Rose discussed the individual responsibility of the agent. It was impossible for Mr. Rose to confine his remarks to five minutes, and consequently the convention was deprived of listening to one of the most able papers prepared for the gathering. The article will be found in the October number of the NEWS.

J. Edward Meyers, who was the last speaker in the discussions, protested against further reduction of agents' compensation, and stated that at present plumbers were receiving more compensation per hour than many life insurance agents. He proved this by charts that had been shown by some of the previous speakers.

The World's Insurance Congress.

The appearance of Commissioner Hathaway, of the World's Insurance Congress, at the afternoon session was a feature which bodes well for the attendance of insurance men at the Panama-Pacific Exposition in San Francisco in 1915. Mr. Hathaway outlined his plans for organizing the congress on a national basis, and also expressed the hope that the organization entered into in connection with this congress would be permanent in character.

He told of the difficulties he had experienced in the past two years in trying to create enthusiasm in the World's Insurance Congress, and stated that after months of hard work the idea was being brought forward in the proper way both in this country and across the water. He also mentioned that at the recent International Congress of Insurance Organizations held in Paris it was voted not to hold any of the usual European annual meetings during 1915 in order that the insurance representatives of the European nations might have the opportunity to attend the World's Insurance Congress at San Francisco.

It was announced at this time by Chairman Horner that the National Convention of Insurance Commissioners and the American Life Convention had appointed committees to confer with Mr. Horner's Committee on Education and Conservation.

There was much enthusiasm displayed over the awards of the various trophies for the current year. The Oklahoma association won the Chas. Jerome Edwards Membership Trophy, which is awarded annually to that association which shows the greatest numerical increase in membership and the greatest percentage of increase, these points each counting half in computing the totals of the competing associations. The Oklahoma association won this trophy with 140.6 per cent; St. Louis was second with a gain of 85.8 per cent. The percentages of the other associations were: Toledo, 74.2 per cent; Savannah, 58.6 per cent; Rochester, 56.4 per cent; Detroit, 55.67 per cent; Chicago, 55.67 per cent; New England Women's, 39.89 per cent; Richmond, 39.4 per cent; Syracuse, 37.46 per cent.

Awarding the Trophies.

The Whittington Trophy was won by J. Henry Johnson, of the Oklahoma association. This trophy is awarded annually to that member of a local association who is responsible for the election of the largest number of new members to his local body. His score was 63 members, against his closest competitor, Charles A. Foehl, of Pittsburgh, who secured 27 members. Other contestants in the order of their showing were: John R. Fox, Philadelphia, 24; J. F. Oates, Chicago, 21; W. C. Bailey, Cleveland, 19; J. L. Collins, Los Angeles, 16; B. P. Rouse, Los Angeles, 16; F. B. Hawkins, Youngstown, 14; R. E. Spalding, Chicago, 14.

The Will A. Waite Trophy, awarded annually to that association having the largest percentage of attendance at regular meetings, was won by the New England Women's association with a percentage of 76.54 per cent. This was the first time that the only women's association affiliated with the National body had won any of the trophies, and the association gave evidence that it intended to keep winning this trophy and some of the others, too. The Minneapolis association was second for this prize with 73.65 per cent; Syracuse third with 47.18 per cent, and Los Angeles fourth with 42.56 per cent.

The presentation of the Edwards Trophy was made by Dr. H. C. Castor, of the Chicago association; the Whittington Trophy by George L. Dyer, president of the Life Underwriters' Association of St. Louis, and the Waite Attendance Trophy by J. M. Mackintosh, superintendent of the Prudential at Cleveland.

Mrs. Shaal Responds.

Mrs. Florence E. Shaal, of Boston, president of the New England Women's association, was called to the platform to receive the Waite Trophy, and after numerous requests from the floor made a few remarks in which she said that the women of the New England association did not intend to let the Pacific Coast delegation take back to the Coast any of the trophies if the women could prevent it. She referred to the statement of Commissioner Hathaway, who seemed to think it would be a good idea to take all the cups to the Coast next year so that they could have them in time for the Panama-Pacific Exposition in San Francisco.

At this point in the proceedings the Credentials Committee reported a total registration of 934. This is the high water mark for all previous conventions.

President Sills then renamed the old Committee on Education and Conservation, with one exception. T. C. Thompson, of Chattanooga, had sent in his resignation, and Hubert H. Ward was appointed in his stead.

The resolution entered in the convention on the previous day regarding the income section of the tariff bill of taxing the refunds to policyholders was favorably reported by the Executive Committee and adopted by the convention. Edward A. Woods, who was chairman of the special committee which drew up the resolutions, in speaking of the resolution

CONNECTICUT

Mutual Life Insurance Company

Stands alone in having paid to its policyholders in death claims, endowments, dividends, surrender values, annuities, and other credits more than they have paid to it in premiums.

Premiums received since organization, 1846-1912. .	\$280,438,555.87
Returned to policyholders as above noted, in the same period.	288,936,237.13
Excess of amount so re- turned	8,497,681.26
Insurance in force Decem- ber 31, 1912	209,394,597.00

The only company with such a record is
the best company to represent.

PRESIDENT
JOHN M. TAYLOR, Hartford, Ct.

told of the need of co-operation to prevent any further taxation. He said that the agents must co-operate with the companies, as it was frequently the case that life insurance men secure a better audience from legislators than do the officers of companies.

J. B. Morissette, president of the Life Underwriters' Association of Canada, who was automatically elected a vice-president of the National Association, was present to extend the greetings of the Canadian members. He did this effectively, speaking of the close political relations between the two countries and told how much the Canadian life insurance men appreciated being affiliated with such a live insurance body in the United States.

Contest for Next Convention.

As usual, the friendly contest for the next convention aroused considerable enthusiasm. Richmond and Cincinnati were both in the field with convincing speakers and all kinds of arguments to prove that each was accessible and desirable in every way. The Richmond delegation led off in a speech by Samuel B. Love, who told of the excellent accommodations in the Jefferson Hotel, where over one thousand could be seated in the hall. He asked for the adoption of the slogan "On to Richmond." D. G. C. Sinclair, of New York, backed up the contentions of Virginia.

A. F. Sommer, president of the Cincinnati association, presented the claims of that city on the ground of accessibility. Although acknowledging that it was more than forty-five minutes from Broadway, the speaker showed how it was centrally located from most of the important sections of the United States.

John L. Shuff, of Cincinnati, told of the remarkable progress of the Middle West States, and he did this so entertainingly that when the vote was taken it was found that Cincinnati had won the 1914 convention by a vote of 30 to 22.

The subject of excessive traveling on the part of the president was brought up by Charles W. Scovel, who ought to know from experience. He referred to the great growth of the association movement and said that it was not necessary at the present time for the president to wear himself out going from dinner to dinner around the country. With 84 local associations it was too much of a tax on any man.

President Relieved from Traveling.

He introduced a resolution which relieves the president from the traveling which has been the practise of the chief executive for many years. He said that LIFE ASSOCIATION News acts as a substitute for much of this traveling, and believed that the new president could keep in very close touch with local conditions through the medium of the News and spread his ideas through the agency of the official organ.

The members of the Nominating Committee, with its report, was the occasion for a big demonstration. J. Edward Meyers, chairman of this committee, gave the slate as selected and all of the members were unanimously elected. The following are the officers elected:

President, Ernest J. Clark, John Hancock, Baltimore.

Vice-President, Edward A. Woods, Equitable, Pittsburgh.

Vice-President, J. N. Russell, Jr., Pacific Mutual, Los Angeles.

Vice-President, J. B. Morissette, Quebec, Canada.
Secretary, Frank D. Buser, Mass. Mutual, Philadelphia.

Treasurer, Hervey S. Dale, Union Mutual, Chicago.

President Clark after being escorted to the platform stated in a few words how much he appreciated his elevation to the high office. He counted on the unusual growth of the association and said he hoped too much would not be expected of him. He maintained that the extension work would continue, and now that the constitution was changed to provide for non-resident membership, he believed that the

numerical standing of the National Association would be improved.

The newly elected officers were presented to the convention following the conclusion of Mr. Clark's speech.

There was the usual crop of appreciative resolutions at the close of the session.

Frank D. Buser, of Philadelphia, as chairman of the General Convention Committee, was tendered a personal vote of thanks for his effective work.

A rising vote of thanks was given to former President Sills on his retirement, for his energetic work while in office.

At the meeting of the Executive Committee, which immediately followed the final adjournment of the convention, Hugh M. Willet, of the Penn Mutual at Atlanta, was elected chairman. President Clark made a short talk to the committee men before they left the hall.

The Banquet.

Fully 350 persons were present at the annual banquet, which was held on Thursday evening at the Hotel Rudolph. This was the final feature of the convention and proved to be a fitting climax to the social features. Although a formal banquet, the affair was marked by an absence of oppressive conventionalities. The songs, which were arranged by Jacob Weil, of Philadelphia, were an enjoyable feature, for popular tunes had been stripped of their words and new ones substituted bearing upon the subject of life insurance and embracing the names of the prominent members of the association.

Retiring President Sills presided as toastmaster with commendable dignity and seemed to thoroughly appreciate the birthday cake with forty candles which had been prepared for him. It so happened that the date of the banquet was the anniversary of his birthday.

The only speaker who disappointed the gathering was Comptroller Prendergast, of New York, who wired his regrets, stating that he could not leave the city when the body of Mayor Gaynor was to be received early the next morning.

Former Governor J. Franklin Fort, of New Jersey, was the first speaker. He welcomed the visitors to the State of New Jersey and stated that Jerseyites were not ashamed to have anyone come to their State. In speaking of the investments of life insurance funds, Mr. Fort stated that the total amount was \$130,000,000,000, and that the total amount in risks in force was approximately \$20,000,000,000, and that one-seventh of the value of the United States was invested in insurance. The speaker could not understand how anyone could turn a life insurance solicitor away, realizing as everybody must, that insurance is a necessity.

Fort Discusses Important Questions.

Mr. Fort discussed the Sherman Act and claimed that it was impossible for insurance companies to be a trust, and in connection with this matter he also called the attention of his audience to the fact that life insurance is the only institution in the United States that has the right to make rates. "If you get them too low the law will make you jack them up," he said, "on the other hand, the various insurance departments have the right to insist that rates should be increased if they are considered inadequate." He deplored the fact that there were 48 separate insurance departments with jurisdiction over the insurance companies, and went on record as an advocate of nationalized judicature.

Mr. Fort paid a high tribute to President Woodrow Wilson, saying that the National Executive had done more in six months than any other President in any similar period.

Jules Girardin, of Chicago, who was much impressed with Mr. Fort's remarks, shouted as the former Governor was resuming his seat, "If we want a Republican President we will know where to go."

Second Vice-President George T. Wilson, of the Equitable Life, was in particularly good form, his remarks keeping his audience in roars of laughter. He was introduced as "King George" by the toastmaster, and took a number of good natured flings at his predecessor, the ex-Governor of New

The Provident Life and Trust Company

—OF PHILADELPHIA, PA.—

¶ To fit the policy to the need of the insured demands frankness on his part, and conscience and expertness on the part of the agent. It has been the endeavor of the Provident Life and Trust Company to have its agents measure up to this high standard, and to demonstrate that the best asset an agent can have in the business is the entire satisfaction of the policyholder whose application he has secured.

J. Thomas Moore

MANAGER INSURANCE DEPARTMENT

Jersey. Mr. Wilson said that he was strong for the National Association and, waxing patriotic, referred to Boston as the home of the National Association, also of Bunker Hill and Mrs. Florence Shaal.

Mr. Wilson was emphatic in declaring his belief in the value to the agent of local associations, claiming that the affiliated bodies of the National Association had done more than anything else to elevate the service of the life insurance business. He declared that earnestness was one of the basic laws of success and discussed the subject of efficiency, showing how efficiency would take frenzy out of business.

T. B. Macauley, managing director of the Sun Life of Canada, who followed Mr. Wilson, referred to the friendly relations existing between the United States and Canada at the present time. "I believe," said Mr. Macauley, "that the development of life insurance is distinctively Anglo-Saxon. Life insurance is philanthropy reduced to a business basis and the companies are the organs of this philanthropy."

The newly elected president, Ernest J. Clark, of Baltimore, invited all those present to go to Cincinnati next year, and stated that it was a great pleasure to be at the head of the greatest insurance organization in the world. As the hour was late his remarks were necessarily curtailed.

PLANS OF GENERAL CONVENTION COMMITTEE WORK OUT PERFECTLY.

**Placards Placed in All Beach Front Hotels Directing
Delegates to Steel Pier—Frank D. Buser, Chairman
of the Committee, Indisposed but Does Not
Neglect His Duties.**

Although many of the delegates to the convention had never been to Atlantic City before, the General Convention Committee of the Philadelphia association and New York association had arranged matters so that everything worked out satisfactorily. There was no difficulty in finding the Steel Pier, as at all the beach front hotels placards had been prominently placed giving explicit directions as to its location. The social events passed off smoothly and were greatly enjoyed. Frank D. Buser, who was last year president of the Philadelphia association, was chairman of the General Convention Committee, and associated with him were the following: John R. Fox, Eugene O. Mosier, William G. Carroll, of the Philadelphia association; Edward W. Allen, Chas. Jerome Edwards, Everett M. Ensign, Louis L. Hopkins, of the New York association.

Mr. Buser was a veritable dynamo of energy and as a result of his strenuous work in putting the finishing touches on arrangements was advised by his physician to retire to his bed. With a high temperature he was compelled to confine himself to his room for a brief period, but with his loyalty to the association and keenly feeling his responsibility as chairman of the general committee he disregarded the instruction of his medical adviser and thereafter was so active that he really seemed to be in several places at one time.

Tea was served every afternoon in the west solarium of the Marlborough-Blenheim. The bracing air of America's greatest seaside resort and the attractions of the Boardwalk claimed the attention of many of the ladies present. As a consequence the afternoon teas were not particularly well attended.

Mrs. Florence E. Shaal, of Boston, was chairwoman of this committee, and the other ladies who were on the program to assist were: Mrs. Edward W. Allen, New York; Mrs. William F. Atkinson, New York; Mrs. Frank D. Buser, Philadelphia; Mrs. William G. Carroll, Philadelphia; Mrs. Everett M. Ensign, New York; Mrs. F. H. Garrigues, Philadelphia; Mrs. A. H. Hood, Philadelphia; Miss Sara F. Jones, Chicago; Mrs. C. B. Knight, Philadelphia; Mrs. G. H. Lang, Philadelphia; Mrs. H. R. Lewis, Rochester; Mrs. Eugene O. Mosier, Philadelphia; Mrs. H. Kendall Read, Philadelphia; Mrs. H. Leon Reeves, Philadelphia; Mrs. Neil D. Sills, Richmond; Mrs. Jacob Weil, Philadelphia.

PUTTING LIFE INTO LIFE INSURANCE. It Is Contended That life Insurance Has Never Been Put Before the Public in a Plain Understandable Way, Either by Its Representatives or Through Advertising.

*Address of Norval A. Hawkins, Manager of Sales, Ford Motor Company,
Detroit.*

To-day we are learning to smile at Life and to look upon Birth and Death as incidents.

For a generation Life Insurance talked of Death.

To-day we are talking of LIFE INSURANCE.

We are striving to bring it into the life as men live it, to the uttermost.

When a man used to sell you life insurance, he thought he had to dress in a Prince Albert coat, a high hat and a white necktie; now he plays golf with you, and by the time you have him two down at the eighteenth hole he has made you curious to know more about that new contract he sold Old Tightwad.

It is a big business—calling for big thinking, big doing, because it is destined for even bigger things.

It is estimated that the life insurance policies of all forms in force in this country alone number more than 20,000,000. The total value of these policies is about \$25,000,000,000—an amount greater than the combined life insurance carried by Great Britain, Australia, South America and the Continental European companies.

Of Recent Development.

Life insurance really is a development of the nineteenth century. Its great growth is almost wholly confined to the last fifty years. In 1860, on January 1, 49,000 policies were in force, insuring \$141,000,000. In the fifty-two years following it has developed three times as fast as our population and twice as fast as our wealth.

The sums paid annually for premiums in all forms amount, in round figures, to approximately \$700,000,000. And yet we are not by a long shot devoting all of the income we could spare to life insurance.

We spend an equal amount of our insurance premiums for tobacco, half the amount for candy, more than that amount for beer, two and one-half times as much for all alcoholic liquors, and one-seventh of that amount alone for low-priced automobiles manufactured by a concern with which I am particularly well acquainted, and which are paid-up guarantees of fullness of life and all other felicities for the owners.

It may readily be seen, therefore, that while life insurance solicitors are generally credited with being the highest grade salesmen in the world, there are big opportunities ahead. They could enormously increase their business by diverting some of the expenditures I have just referred to—even if only to a small extent—to the purchase of the policies which they themselves are selling, and must have faith in to sell successfully.

In the Beginning.

In the beginning life insurance dealt only with contracts terminating at death, hence the same "Life Insurance." It was found, however, that the plea based on the one factor of providing for a family after death of the provider was not sufficient to build up a large business. The so-called investment features were then introduced as business getters.

Life insurance is a product of an advanced civilization. To-day there is no subject of such vital importance to the people, and to the future of the State, regarding which there is so much popular ignorance.

It has never been properly put before the public in a plain, understandable way, either through its representatives or by advertising.

The larger part of life insurance advertising, when any has been done, has either been mere publicity—as, for example, "The Prudential has the strength of Gibraltar," or something of that character, a vague, colorless, technical generality about some sort of an investment policy such as "20 Year Endowment," or "Gold Bond," etc., or else a mass

New York Life Insurance Company

DARWIN P. KINGSLEY, President

What the New York Life Has Done

1. It has been in business over 68 years.
2. It has paid policyholders \$858,046,444.
3. It holds in trust for policyholders \$719,657,050.
4. It has in force 1,115,184 Policies.
5. It has in force \$2,314,700,284 Insurance.
6. It has attained, under the provisions of the New York Insurance Law, the privilege of writing about Two Hundred and Twenty Million Dollars of new paid business in 1913.
7. It has written over half of this amount during the first six months of 1913.

What the New York Life is Trying to Do

1. To write the best policies the law allows and underwriting skill can devise.
2. To have the best organized and best instructed agency force to present these policies to the public.
3. To have the best system of agency management, and to secure the greatest efficiency of the individual agent.
4. To have the best managed Home Office, so that the theory of Life Insurance may be carried out with safety, economy and dispatch.
5. To secure from public officials and the law-making power the "square deal" to which the Life Insurance Business is entitled.

Are the things we are trying to do visionary?

Are they any more visionary than present results would have seemed if proposed sixty-eight years ago?

NEW YORK LIFE INSURANCE COMPANY

346-348 Broadway - - - NEW YORK

of statements cluttered with figures which no one but an expert accountant or an actuary could hope to understand.

It recalls that inspiring individual who wrestled with a page of Browning with no appreciable results. He asked a friend to delve into its profundities.

"What do you make out of it?" he inquired.

"Not a damn thing," his friend replied.

"Thank God! I thought I was going mad!" exclaimed the Browning student, wonderfully relieved.

Most of the companies spend too much time figuring out new policies or special schemes with some kind of fancy trimmings to make the prospect think he is not buying life insurance, when it should be spent in making simple life insurance plainer and more understandable to the masses of people who need it.

Public Is Ignorant.

Your contract production departments are well developed, scientific and efficient. Your distribution departments have done remarkable work, judged from past experience; but judged by possibilities, the distribution has realized but a small part. Several years ago you had a somewhat sudden and bewildering awakening on how little the public really knew life insurance.

The public knows little about life insurance; and you know too much about rates, features, policies, laws, regulations and policy differences, from the insurance standpoint.

From your viewpoint, life insurance is insurance.

But it isn't.

Life insurance is men, plus organized savings and the mathematics of experience translated into human life values. It should be talked as such and advertised as such, and you men in the field should let the world know that you are particularly proud of your vocation. You insurance men have a life-filling mission.

There is no nobler work in the world than teaching people to do the right thing, than educating men to provide for their widows, their orphans and others dependent upon them. It is a service to society. The life insurance salesman is an educator in the highest sense, and at best is the keenest exponent of educational salesmanship.

The great big majority of men, young, middle aged and old, have some one depending upon them who will suffer in body, mind and spirit from the loss of that man's earning capacity. From the standpoint of life insurance, a man is simply a money-making machine. He is a provider.

Life insurance is not supposed to furnish balm for the heartaches, the sorrows or the loss which comes to those who are left. It is only a means of extending his earning power to provide something to take the place of his money-acquiring capacity.

A Form of Immortality.

Therefore, life insurance becomes a form of immortality. A man may die, but if he leaves a policy he lives again as a producer for his dependents. Look at it in any way you want to, the human side of life insurance is the tremendous factor in it. Insurance is one of the greatest humanizing forces in the world, yet it has not used the forces of life.

Its benefits should be taught in the public schools. I am surprised its story does not invite us from every newspaper and publication in the land. What is the matter with the insurance men?

The great masses of the people do not yet understand life insurance, or every healthy man would have its protection. Think what it would mean, for instance, if women understood life insurance, and instead of opposing it on sentimental grounds, as they now largely do, they would become active urgers of it. You men who understand insurance have talked technicalities and special features to prospects who did not understand simple life insurance; you have talked Sanscrit to those who did not know their A B C's, and the result has been that the business is still in its infancy.

A man who contributes \$1,000 to the support of an orphan's home is looked upon as a real benefactor. We all take off

our hats to him. He has discovered dimly and uncertainly, it may be, the brotherhood of man. Life insurance is built on the idea that one is for all and all is for one.

Tell me why any man here who induces another to take out a \$1,000 life insurance policy is not just as great a benefactor? He has taught that man the root principle of life—how to take care of his own and himself. After all, that is doing humanity a greater service than building a home for indigent widows—it is making indigent widows impossible.

When life insurance is rightly sold, it will not be a question of "Shall I take out a policy?" but "How large must it be?" The companies must properly educate the public to understand what life insurance really is—simple, unadorned life insurance. Business will materially increase, for their solicitors will be treated in a very different manner when calling on prospects.

Life insurance is a business proposition of the highest character. The insurance solicitor of the future, as the best have in the past, must be a higher grade man than salesmen in other lines of business.

At the Mercy of Solicitor.

The average man knows in taking out insurance he is entirely at the mercy of the solicitor; for that reason he likes to deal with some friend who has gone into insurance as a genteel way of cashing in on his acquaintances. Ninety out of every hundred men in this city, or in any other for that matter, don't know the real insurance value of any insurance policy they have, even though they have been paying premiums on it for twenty years.

As a rule, men buy life insurance either from a sense of duty or because they are virtually forced into it by an aggressive solicitor, without knowing nearly so much about the terms of the contract as they would demand in making any other investment requiring the same amount of money.

The late J. Pierpont Morgan was an exception. A well-known insurance official said the other day: "In the beginning of my career, when I was only a humble insurance agent, I gained access one morning to the august and formidable presence of J. Pierpont Morgan."

"No!"

"Yes," the official insisted. "Yes, it's a fact. Don't ask me how I did it, though, for that's a secret. But at 10 o'clock one morning, behold me, a young insurance agent, standing before the desk of the great J. Pierpont, with my big envelope of life and death statistics, 20-year endowments, and so forth, in my hand. I was, I have since learned, the first and only insurance agent who ever managed to meet Mr. Morgan face to face."

"Well, what happened?"

"Mr. Morgan," I began hurriedly, 'you ought to carry more life insurance. You see, sir—'

"And lucidly and cogently I laid my insurance proposition before the great financier.

"He listened in silence. Those fierce blue eyes of his bored through me like lances. When I stopped, at last, all he said was:

"How did you get in here?"

"I walked in," I answered.

"Well," said he 'walk out.'"

Right here's where the public should be educated.

Here, also, is where most of the solicitors should be educated.

Certified Solicitors.

There are altogether too many men soliciting insurance who know only a little about the companies they represent and less about the different forms and classes of policies they are selling, from the standpoint of the future customer. It might not be a bad plan to have life insurance solicitors examined, and then certified as to their qualifications and special fitness before turning them loose to lose business that good men might close.

Life insurance is life insurance.

Over Half a Century's Benefaction

THE
HOME LIFE

Insurance Co. of New York

GEO. E. IDE, President

Has Paid to Policyholders and their Beneficiaries since organization
in 1860, over

\$47,000,000

And now holds in Admitted Assets nearly

\$28,000,000

a total of

\$101.20 for every \$100 in Premiums Received

Its gain in Insurance in Force during the past ten years is 74.76%; its gain to Insurance Written in 1912 is 39.1%; its ratio of Actual to Expected Mortality during 1912 is 61.6%; its Surplus Earnings to Premiums since 1860 is 15%, and in 1912 17.05%; since 1860 the Dividends Paid to Policyholders amount to 12.24% of the premiums received, and in 1912 12.95%.

**A conservatively progressive company issuing the
most desirable forms of participating insurance**

For Agency apply to

Geo. W. Murray, Superintendent of Agents

HOME OFFICE: 256 Broadway, New York

When a man tries to make an investment out of it he is trying to make it serve his own selfish ends, which, to a large extent, defeats his original purpose. The average insurance company, as well as the average solicitor, I believe, makes a mistake in the manner they talk different kinds of policies. They do not fit men with what is needed, but take orders for what is wanted.

They try to write a \$5,000 20-year endowment policy because they have sized the man up as a \$5,000 man, and if they get this policy they will get a \$250 premium, while, if they wrote a 20-year payment life policy for \$5,000 they would get approximately a \$185 premium, or if they wrote an ordinary life with a 20-year settlement they would get \$125.

A Satisfied Customer.

The basis on which insurance should be considered by the customer and solicitor is from the standpoint of the premium, not from the size of the policy; and from the viewpoint of the person insured, not that of the solicitor eager for a premium. Life insurance salesmen must learn what most merchants now know—that a satisfied customer is the best of all advertisements.

The man who blindly and selfishly gathers in too many dollars to-day at the expense of his customer's best interest, and possibly his own self-respect, misses the chance to make good in a big way to-morrow. He is not building for the future.

How much money should a man with a certain income, family expenses, etc., save to put into insurance? Let's have some experience tables on that. He should be educated to feel that he ought to carry all the insurance that he can without breaking his back, but no man should ever be induced to take out more insurance than he can probably keep up.

I expect some day to see some life insurance company do for the average man what the Ford Motor Company has done for the average man—provide the thing best suited to his requirements at the least possible outlay, or at a cost that represents neither hardship nor extravagance. This, I take it, would be a yearly renewable term policy, without re-examination, procurable for the lowest possible premium, and which could be continued or terminated according to the circumstances of the policyholder. I know the average agent would not be wildly enthusiastic over this form of policy, as it would yield but modest premiums, but I think I could retire to a quiet corner with him and convince him that there are certain compensations, in the way of increased demand and widened public service, for putting out a good and desirable thing at a moderate price.

What Best Suits the Needs.

No man should be encouraged to kill himself in order that his family may live better than he could with them. That is the old die-to-win idea in insurance. It is not *life* insurance. So the question for the man to decide is what best suits his needs and how much of it he can afford to carry. Does he want to leave money to his family if he dies, or does he want to receive a little interest if he lives?

The whole problem works out almost exactly on this basis: *That the amount of money left to the wife decreases in exactly the same ratio as the interest which comes back to the husband increases.*

It is needless for me to say that I think what the average man really desires is insurance, which will give him the largest amount of money for his estate. He can then save his other money and make such investments as he may desire, and look on life with a clearer and happier prospect. What are we after here in this world anyway, from a purely commercial and monetary standpoint?

First, to live as well as we can.

Second, to create an estate that will care for us in our old age, or that we may leave to those dependent upon us. Life insurance is one of the easiest and surest ways by which

a man can create an estate. There are other ways that may look sure, but they often prove anything but safe. It's better to be safe than sorry—and most common, every-day human beings feel that way.

One of the surest ways, then, for a man to create an estate of a certain number of dollars is to take out a life insurance policy for that amount. Take a man 30 years of age who for \$250 a year can get a \$10,000 ordinary life policy with a 20-year settlement. All he has to do to leave an estate of \$10,000, absolutely, is to put up that \$250 a year as long as he lives, or until the 20-year settlement period.

Creating an Estate.

Now, to create such an estate by saving the same amount of money each year, in any other way, he would have to be absolutely sure of three things:

First, that he would live 30 or more years.

Second, that without this compulsory saving feature of insurance, which compels a man to pay his premium whenever it is due, he would have to save or invest in his own way \$250 every year.

Third, he would have to be sure that he would make absolutely no poor investment during this 30 years.

All of this is very obvious to you life insurance men. I want to show you how you have scientifically applied human nature to the devising of novel contracts and special feature insurance until your handbook looks like a bible (as indeed it is), a bible of brotherhood.

You train your men at home and in branches at great expense. It costs you huge sums to get business, and the cost has not been going down. It seems you have not been gaining on the public as fast as the public has been gaining on you. Your actuaries figure on classes and masses of men; in your business-getting departments you are still dealing in individuals. You have been looking in the mirror. Bring insurance home to your public. The public has not been interested half as much in these novel ideas as you have.

Must Humanize Insurance.

Your public is an ignoramus, speaking from a life insurance standpoint. You must humanize your insurance. You must put real life in its story. Cut the actuary attitude out of your public side; keep him in the policy, where he belongs. Here's a thought that comes to mind. If 100 average men 30 years of age, with families, were locked in a room and were going to draw lots for one man to be killed before the end of the year, and if they had an opportunity of taking out insurance policies before that drawing, would they do it or would they say, "Let my wife and children take the chance."

The actual facts are that Father Time compels just such a drawing as this every year. Do many prospects get that thought? Practically one man out of every hundred at 30 years of age dies within a year.

There is a drawing next year that takes one of the 99 left, and the next year takes one of the 98 remaining, and pretty soon the point is reached where two are drawn each year, and it's the lucky one who plays out his full string.

Drive this home. There is a town down in Massachusetts named for a man who wouldn't take out life insurance; it is called Marblehead. He is dead, but his descendants are still with us. So that is your work—to penetrate the marbleheads. You often meet the fellow who says he is so favorably situated that he is making 10 or 15 per cent. on his money and doesn't need any life insurance.

He can make so much more in this way on his money than your insurance company can pay him that he cannot afford to make any deposits with you. His own argument looks to me to be the strongest reason he could present for your selling him a policy. Say to him: "My money will not earn more than 5 per cent., and your money is worth no more than mine."

"It is your personality plus your money that is worth 15 per cent. Your money alone is worth only 5 per cent., so that your personality is worth the other 10 per cent. What is your family going to do when you go? What are you going to do when you have to stop?"

“Massachusetts Mutual”

FOR sixty-two years this Company, through its Home Office and its Agencies, has served the American public. Throughout this long period its guiding principles have been mutuality and fair treatment both of public and of its field representatives. It has been a progressive Company in the truest sense. Untried novelties and alluring catchpenny schemes it has never adopted. But it has always been alert to adapt its policies and practices to insurance needs that have arisen in the evolution of business and domestic life. Steadfast adherence to this course has earned, throughout the land, a reputation for trustworthiness, and consequently the prestige of no Company is more lustrous than that of the Massachusetts Mutual.

In the last few years this Company's annual gain in new business, and its gains of every kind that indicate solid growth and increasing financial strength, have been notable. Never were Massachusetts Mutual policies so easy to sell as now. And few Companies are represented by as contented and loyal a field force as that of this Company. Principles and methods of management that have brought the Company to its present position of eminence will carry it to still finer successes in the future.

Occasionally we have a general agency opportunity to be availed of by a man of ability and integrity who is both a satisfactory producer and an able agency manager. If you are interested, address

JOSEPH C. BEHAN, Superintendent of Agencies

Massachusetts Mutual
Life Insurance Company
Springfield, Massachusetts

Incorporated 1851

What do you think would be the result as to the increase in the sale of life insurance if the right kind of a humanized advertising and educational selling campaign was to be carried on for a few years? A man would be ashamed to admit to his neighbor that he did not carry sufficient life insurance to properly protect his family.

Life insurance is not a luxury—it is a necessity, and should be treated as such. As I have already said, man has two sides, the human, personal side, which his relatives and friends love, and the purely commercial or money-earning side. This latter side is all that life insurance now considers. He is an interest earner. He is a money-making machine.

The man who is making \$10,000 a year has the same interest earning capacity as \$200,000 at 5 per cent. a year, and yet he probably values his interest earning capacity sufficiently to carry only \$10,000 insurance.

Your actuaries figure out how long he should live. That is insurance, but we know men do not act on actuarial tables—they only die by them.

A Man's Worth.

What is the man's worth to his family to-day? What chances are that family taking with its future when it puts aside no sinking fund to protect the money machine production when the machine becomes obsolete or is finally scrapped? Are you presenting these thoughts to your prospects? In a retail way, perhaps; but the job is not a retail job. In the Ford business we are not satisfied with single orders when we should be selling carload lots.

What you and I want is for men to act—live and act. These men who think they believe in insurance don't believe in it. They carry \$5,000, \$10,000 or \$20,000; and if they have a position of any importance their insurance is a trifle. Why?

The majority of men who carry insurance to-day have not been sold, in the true acceptance of that word. They don't fully appreciate the policy they have. It reminds me of the old song, "We're here, because we're here."

They have the policy because they have it. Some of the real conditions surrounding insurance should, in my opinion, be put before the people in a way that will make them see it and understand it. What does a mass of figures mean to the average person? You don't know what a million dollars looks like; you have no more real conception of the manpower of the assets of a big insurance company than I have.

Stop Looking in the Mirror.

Take some of the published statements of insurance companies—the percentage of gains, comparative results secured by this company or that, certified balance sheets, etc., etc. To tell the truth, they are not thoroughly understood by 50 per cent. of those who are actively engaged in the work of selling insurance. And they are not read by anyone, except possibly by the banker who has some business dealings with the company publishing them. Stop looking in the mirror, for we want to put more real life into life insurance.

The human side of insurance is what we should keep before every man, woman and child.

As I said before, its benefits should be demonstrated to school children. Money spent for the right kind of an educational advertising campaign would benefit all insurance companies. Such a campaign would do three things:

Increase insurance.

Cut the cost of getting it, and

Diminish the lapses.

Advertising and salesmanship are both parts of one great problem—distribution. The one is the missionary going about planting in men's minds—silently, subtly, alone or in the crowd—the seeds which blossom into inquiries. The solicitor, doing best what advertising has not done so well, gets the application.

It costs millions more than it should to keep men doing the advertising by word of mouth, I know; advertising of the trade-mark, balance-sheet style of copy is no new thing to insurance companies, but *human life* insurance advertising is entirely a new thing.

Life insurance advertising has nearly always been written by insurance men who thought in figures and not in terms of life and sentiment. The head makes business, but the heart keeps it. The day is not far distant when insurance companies will carry on a propaganda as wide as the nation, or—and this is the alternative step—the nation itself may do it.

For—put this where you won't forget it—*every man knows that he wants life insurance.*

That famous sermon of DeWitt Talmage on Life Insurance was a human expression of the fundamental, human side of life insurance. It electrified the men of an older day, and gave them a vision of a greater and nobler mission than they had dreamed of in their cribbed and cabined financial outlook.

Two Types of Minds.

There are two types of minds in the world, as a great Englishman pointed out: The mind which thinks of the present and the past. It is retrospective. "It interprets things of the present, and gives value to this and denies it to that entirely with relation to the past." Such are accountants, auditors, actuaries, lawyers and financiers of the smaller type.

But there is another type which has discovered the future. It foresees and plans. It is concerned with to-morrow. It is the creative, organizing, masterful type. To-day is to-morrow in embryo. It is youth against age. It is the mind unsated with success. It is the mind which says prepare for to-morrow and to-day will care for itself. It is the mind of the master-salesman, the maker of business, the creator of sentiment. It makes for progress.

Such a viewpoint is the very essence of life insurance in its attitude toward the customer. In its attitude toward itself, however, it has been held in bondage to the past. But a better day is a hand.

If a man appreciated fully, by knowing definitely, the value of what he was getting, and bought it only after carefully investigating, instead of taking it as a favor from some friend or by over-persuasion of the clever solicitor, he would take it because he knew it was what he needed and wanted. He would strive more successfully to find a way to meet the premiums and keep the policy in force though it strained his resources to do so.

The Human Touch.

Life insurance advertising needs the human touch, such power of appeal as that possessed by the genius who prepared an advertisement for a home-owner who had decided to sell out and go West. The ad expert read the proof of the "For Sale" advertisement to the advertiser. "I've changed my mind" the owner exclaimed. "That house is not for sale. I never appreciated before what an exceptional piece of property I own."

I should say that 60 per cent. of lapses represent men who have not been sold. They have not stayed sold. They were persuaded, but not convinced. Life insurance is still an expense to them.

The insurance business is growing better each year. The world is growing wiser and better every day we live. I just want to leave with you gentlemen a few additional thoughts before I close that each of us may apply to ourselves as well as to others. In every life insurance there are two risks—one is one the man; the other is on his life. A man may be physically all right and yet not be a good risk, because otherwise he is all wrong.

When a man is wrong the chances are against his living out the number of years the actuaries allot him in the insurance tables. A building may be absolutely fireproof in itself, and therefore a most excellent risk; but the tenant in this building may be engaged in manufacturing an article that is highly inflammable or explosive, and so the risk as a whole is rendered a very undesirable one. The human body is not unlike a building or a house. There is a tenant inside.

The body—that is, the house—may be all right, but the

(Continued on page 39.)

**AGENTS WHO REPRESENT
THE
PENN MUTUAL LIFE
INSURANCE COMPANY
OF PHILADELPHIA**

**HAVE AN INSURANCE CONTRACT
TO PRESENT WHICH IN THE SUM
OF ALL ITS BENEFITS IS UNSURPASSED
IT IS BEST NOT JUST ONE WAY
BUT BEST ALL WAYS
AND ALWAYS**

**BACK OF IT IS A SIXTY-SIX YEAR
REPUTATION FOR FAIR DEALING
WITH ALL ITS POLICYHOLDERS, WHETHER
CONTINUING, WITHDRAWING, MATURING
OR DYING.**



TWENTY-FOURTH ANNUAL CONVENTION

Ball Room on S



AL ASSOCIATION OF LIFE UNDERWRITERS,
, Atlantic City.

tenant occupying the house may have some careless or perhaps vicious habits which are a constant menace to the body and which render the insurance of his life a poor risk. When it comes to insuring the body—the house in which we live—almost any of the companies which you gentlemen represent will, for a proper yearly premium, take the risk and issue the policy.

No company has yet been organized to write up insurance on the tenant who lives inside this human house. Yet you do not ignore this moral hazard. The fact is, the tenant in each human body must and should carry his own individual insurance. He must take out a policy by himself, with himself and on himself. This kind of individual life insurance is as old as the race. It began with Adam, and it will end in eternity.

The Ten Commandments.

The Ten Commandments, the Lord's Prayer and the Sermon on the Mount contain all the law that can be found in a library of 5,000 volumes. There is hardly a statute in this State or any other—political, civil or criminal—the genesis and inspiration of which cannot be found in the Bible. It has been well said that "the man who has been trained to learn and obey the Ten Commandments will acquire an uprightness of character and steadfastness of purpose attainable in no other way."

The Lord's Prayer contains in its every sentence something that refers to human experience and meets human needs. In the introduction to the Sermon on the Mount, "we are taught humility, sobriety, mercifulness and purity." In the rest of the Master's great sermon we have the higher meaning of the moral law expounded and illustrated, and by its use we are enabled to understand more fully the meaning of the Ten Commandments.

The Ten Commandments, then, were really the first laws ever enacted with respect to insurance of life. They are written into every policy and are a vital part of every contract. He does not play the true part who does not know this to be true. The best policy, therefore, that a man can take out is the one he takes out with himself, based on the Mosaic self-insurance plan.

Introspective.

The Decalogue suggests the questions he should ask himself, answering as carefully and as truthfully as though he were filling out an application for a million-dollar policy in one of the largest companies.

He should take out this policy, knowing that if he violates any of its terms or provisions there is an automatic cancellation without notice, and charges will be made at short rate against his family, as in fire insurance. As a matter of fact, many of us, from our habits of living, would seem to need a policy carrying a fire clause as a sort of asbestos blanket for the hereafter.

Some of the questions suggested to be answered in an application for the Ten Commandment policy are these:

What is first in his life?

What is the right way to live each day?

What are the gods of this man?

How much time does the tenant in this body give to the improvement of himself?

Is he spending all his time and thought and energy on the house in which he lives and neglecting the moral, mental and spiritual health?

Is he clean in thought and life; is he honest, truthful and charitable?

Has he respect for his own person and that of others?

Some of the special features of this policy are as follows: If you fail to meet your premiums as they are due they will be charged up, with interest added, to your children.

They will have to settle "unto the third and fourth generations." They will be all their lives paying your neglected obligations. If you keep up your premiums of right thinking, right doing and right living, your children will receive a priceless endowment in the form of a sound mind in a

healthy body, and they and your heirs forever will receive an annuity in the form of an inspiring influence from the memory of a life well spent.

This self-insurance policy also has endowment features: You will reap many benefits in a peaceful and well stored mind and a healthy body before the end of your life.

The fact is, this kind of a policy always combines the endowment with the straight life. There is another feature in this policy not to be overlooked—it has loan values beyond the tables of the actuaries. There is nothing like character as a financial asset.

A man's bank account may be low, but if he has by right living inspired a friend to believe in him, he has the best collateral in all the world, one not measured by the dollar mark. One of our greatest men gave expression to this thought not so long ago.

Another feature is that, after you have kept up your premiums for a number of years, the policy will carry itself.

You will have acquired the *habit* of doing the right thing. You will have secured a paid-up endowment and straight-life policy in one.

This, then, is what life insurance really means to your customers and to yourselves. Its real values are not to be measured in dollars and cents. They go beyond those while retaining them.

They are moral.

They have to do with life at its deepest and highest.

They make men.

It is a great field of service to society, making for better living, higher thinking and nobler feeling, which is all there is in life worth living—all there is in *life* insurance worth the labor of achievement.

We need the accent placed on the duty insurance owes to mankind to lead it into greater realization of its duty to the future.

To view it in any feebleness of light is to rob yourself of the glory of achievement and defraud your fellow-men of the best you have to give.

New System of Registration Proves Great Improvement.

John R. Fox, president of the Philadelphia association, was chairman of the Registration and Information Committee. The registration booth was to the left of the entrance of the Steel Pier and space had been provided for a dozen people to register at one time. Instead of the system which has been in use at conventions of the National Association for many years past, cards had been provided to be filled out by those presenting themselves at the booth. These cards were then passed in and the delegates, alternates or guests were given the official badge and other paraphernalia. The cards were then filed alphabetically by name and duplicate cards were made and filed alphabetically by associations. By means of this system of registration all congestion and confusion was obviated. Delegates, alternates or guests who desired information as to friends or associates who might be in attendance at the convention could and frequently did apply at the registration booth. Accurate information was immediately given by a young man in charge of this filing system.

The associates of Mr. Fox were: John W. Clegg, Philadelphia; Perez F. Huff, New York; F. H. Garrigues, Philadelphia; A. C. Hirsh, Philadelphia; Walter E. Long, Philadelphia; Eugene O. Mosier, Philadelphia; Lawrence Priddy, New York; H. Leon Reeves, Philadelphia; George E. Schilling, Philadelphia; D. G. C. Sinclair, New York; Samuel S. Voshell, New York.

**A BINDER FOR
LIFE ASSOCIATION NEWS
WILL COST YOU JUST
ONE DOLLAR.**

For Ten Years

from 1900 to 1909, inclusive, The Mutual Benefit Life Insurance Company maintained without change its very liberal dividend scale adopted in 1900, when the current premium rates were adopted. Furthermore, the Company has largely increased the liberality of its already extremely liberal policies, making the added benefits, in so far as possible, available to old members as well as new. Because of a very favorable mortality experience, and an economical administration of its business, the Mutual Benefit was able in 1910 not only to increase its regular dividend scale for policies issued since 1900, but in addition to apportion a special dividend to participating policyholders amounting to \$675,000. In 1912 the Mutual Benefit made a general increase in dividends to policyholders; also, after adding to its suspended mortality fund (which stands as a bulwark behind the mortality assumptions of the scale), the Company set aside a dividend equalization fund to the credit of policyholders.

From this fund, in 1913, another special dividend of \$867,000 has been apportioned to policyholders.

The 1913 Special Dividend

marks the CONSUMMATION OF THE 1912 PROGRAM of insurance benefits outlined last year.

The contingency reserves adopted in 1912 are not required by law, but are set aside voluntarily as a demonstration of the

Impregnability of the Company

and the stability of its earning power.

The rules for determining the proper amount of surplus for the Company to hold, and for determining the proper dividends to policyholders (THERE BEING NO STOCKHOLDERS), were formulated after a careful investigation of the whole subject of surplus and dividends, based upon the

Adequate Experience of the Mutual Benefit

covering over sixty-seven years of successful life insurance business.

If you are interested, write to the Home Office for a copy of our leaflet "To the Seekers for Success."

THE MUTUAL BENEFIT LIFE INSURANCE COMPANY

NEWARK, N. J.

Organized 1845

Frederick Frelinghuysen, President

PROGRESS SHOWN BY COMMITTEE ON EDUCATION AND CONSERVATION.

An Institutional Movement Prompted by Practical Business Motives and an Altruistic Desire to Render More Efficient Service to the Public at Large.

Address of Warren M. Horner, Chairman of the Committee on Education and Conservation.

In view of the fact that the *Outlook Magazine* in a recent issue very courteously refers to and quotes from a communication received from me, and for the further fact that that communication contains ideas with respect to the economic relation of life insurance to the people which is pertinent to the question we are to discuss to-day, I deem it advisable to read to the convention the exact words contained in the paper forwarded over my signature to the *Outlook*:

"Pride and independence must be reckoned with in every human being. The people of the United States are more interested in education and training for efficiency to the end that they may be of value to themselves and the State, than they are in any scheme of outside help which does not call for the exercise of their own brain and muscle to make them self-supporting."

People Not Interested in Paternalistic Plans.

The people are more interested in opportunity for industrial freedom and the exercise of equal business rights and in earned rewards through bonus, or profit-sharing system, and old age incomes from the sources for which they have labored than they are in any paternalistic plan on the part of the State or through the medium of swollen fortunes. The people of the country, as a whole, are anxious, in fact their pride demands, that there be a direct connection between the sweat of their brows and their support, including old age, when active employment must cease.

A large proportion of the time and money spent in charity, outside the assistance rendered those mentally and physically incapacitated for work, is worse than wasted because it tends to promote mendicants and make others industrially inefficient and of little or no value to themselves or the community.

The people, all the people, should be taught the pleasure of creating something of value, and of earning their own support through habits of industry and directly applied energy.

They should be shown the wisdom of habits of saving and the necessity of providing for unforeseen events and their own old age.

The people of the United States waste so much each year that any estimate of the amount, measured in dollars, would be only guesswork. However, the waste, including time wasted, probably equals or exceeds the total value of their production. The principal sources of causes of waste are *loss of time, unscientific methods, waste of raw material and finished product, extravagant expenditures, lack of conservation of natural resources*, lack of conservation of human life through inadequate safeguards against accident and in prevention of disease, and finally, the lack of conservation of human life in not carrying an adequate amount of life insurance as an offset against *loss by death*, or as a *substitute* for the *cessation* of earning power at the *beginning* of old age.

Conservation of Human Life.

The most important conservation problem before the American people is the conservation of human life. There are some phases of the conservation of human life not embraced by or connected with sound life insurance, but there are a great many more important things involved in life insurance which are fundamental in the conservation of life than most people realize.

These are: The death benefit, preventing the family from becoming social dependents; the payment of money into a business as indemnity against loss of the earning power of some individual; the supplying of a definite sum of money at the beginning of old age, or an income during declining years.

Life insurance has also done much to minimize pauperism

in this country. It will do vastly more as the people acquire a more enlightened understanding of its scope and benefits. The mere nature of life insurance contracts, and the method of payment therefor, instills habits of foresight and frugality in the individual. The method of physical examination suggests care of health and prevention of disease, and individual companies do much toward the conservation of human life in promoting care of health and hygienic measures.

The National Association of Life Underwriters has established an educational and conservation bureau for the dissemination of non-partisan information of fact and interest to the public on insurance matters in general. This bureau will co-operate with institutions of learning, public and private, to promote insurance education, better fitting the younger generation to intelligently buy life insurance or engage in the business as a vocation.

This bureau is an *institutional movement prompted by legitimate, practical business motives and an altruistic desire* by the leading agents of the country to render more efficient service to the public at large, and to create a better spirit of understanding between the people on one side and life insurance on the other.

Life insurance has not been properly understood in its economic and beneficent relation to the people. It is in reality the conservation of human life. The public, and all too many agents, have not understood that an individual commercially speaking, is in reality only a human machine, and a frail one at that, and as such has a definite but perishable value which must be insured against loss by death or wearing out in old age.

A Great Service.

Too small a percentage of life insurance agents themselves recognize that they are called to a work of large import and have the opportunity to render a great service to humanity. A life insurance agent who does not understand the economic application of what he is doing, and rise to its professional attainments, is a positive detriment to the business. The life insurance companies are as babes in the woods in the method of appointing and training agents, and the States are equally as lax and unscientific in licensing the agents whom the companies appoint. The proper and adequate purchase of a life insurance policy or the care and selection of an individual's insurance over a term of years calls for a professional service, *personally rendered* by a trained individual possessing integrity and intelligence of the highest order.

There should be a uniform State law requiring an examination to test the knowledge and fitness of every applicant for a license to transact the life insurance business.

Legislators over the country would do well to pay earnest attention to this point, and also see that such laws were enacted as would make it impossible for new companies to be floated by spurious stock-selling schemes. They should make it difficult to organize new companies (which are not backed by sufficient integrity and experience) to prey upon the people.

Unjust Taxation.

It is these matters that deserve attention from legislators, and not the taxing of life insurance companies and life insurance funds, which tax has already reached a point beyond reason or justice, working an absolute loss and detriment to the policyholders. A tax upon life insurance, above the cost of State supervision, is a tax upon thrift and economy, and a direct discrimination against funds intended for widows and orphans, and is not a tax upon a corporation, but upon the individual who pays the premiums, or his beneficiaries.

There is a *legitimate community of interest* between the people and life insurance, and this relation should be understood and promoted and cemented by a spirit of unity and co-operation. No system of finance has yet been devised which even approaches the good rendered humanity by sound life insurance. The people are more interested in banding together in bodies under a safe and practical plan of co-operation, as exemplified in our sound life insurance companies, for indemnifying themselves against the known and unknown conditions incident to death and old age than they are in any charitable or paternalistic institution. A sound, well-

Warm Personal Interest

That describes the happy relation existing between the Fidelity and its Field Men, and explains why both are forging ahead.

Maybe you could reach a higher success in that atmosphere.

Write to

WALTER LEMAR TALBOT, Vice-President

**THE FIDELITY MUTUAL LIFE
INSURANCE CO.**

Philadelphia, Pa.

L. G. Fouse, President

Desirable openings in good territory for the right men

managed life insurance company which standardizes its field representatives is more in tune with true Americanism, and in keeping with the pride and independence of the people, and better promotes their industrial efficiency than any organized charity or paternalistic institution fathered by the State or founded upon swollen fortunes.

A great deal of unintelligent criticism by muck-rakers is passed upon life insurance premiums as being too high. The premiums as charged by sound life insurance companies are no higher than is absolutely necessary to guard against all the known and unknown conditions concerned in the financial permanency of the companies. Security is the all-important point of interest to the people.

The old established life insurance companies have stood all the tests of permanency and adequacy of the legal reserve system in this country, and there is a determined movement on the part of the whole institution of legal reserve insurance to standardize the business and render better service to the insuring public.

Reliable Representatives.

This better service embraces matters of detail in the care of an individual's life insurance affairs by a reliable and competent representative in the field.

So many new companies have been formed during recent years that a word of comment in regard to these companies is important. New companies organized by men of strict integrity, with long training and experience in the business, founded upon the legal reserve plan, are entitled to the confidence of the people. However, as someone said a great many years ago in regard to assessment insurance, "Too many of them are formed either upon woeful ignorance or designing fraud, and whichever of the two basic evils impels the formation of a company it spells the same disastrous result to the people. The people need, therefore, to look thoroughly into the traditions of the representatives of a new company, and those who have not learned the experience through unfortunate losses need to be admonished against buying stock in such companies, especially where a large commission is paid someone for the sale of the stock.

The people in every walk of life are striving to live decently and acquire a competence for old age. Sound life insurance is one of the greatest, if not *the* greatest, aid to the end at which they are aiming. Therefore it is reasonable, and in fact necessary, that there should be an intelligent spirit of co-operation between the people themselves and their representatives, law-making officials and the institution of insurance as represented by company officers and the agents. That legislation should be directed toward securing better service by standardized field representation than toward an illegitimate, unjust or overburdensome taxation.

Lack of Intelligent Co-operation.

A spirit of antagonistic and unintelligent dealing is destructive to the companies and, what is more important, to the interests of the people—just as antagonism and lack of intelligent co-operation is responsible for most of the economic and social problems confronting the American people.

There are so many very able men who are going to speak to you on the subject of the education and conservation movement involving an institutional advertisement, and my own views have been so positively and frequently stated, that I will but briefly discuss this subject this afternoon.

If it were cloudy at Atlantic City to-day and someone told you it would be brighter and lighter if the sun shone, you would have just cause for feeling that an offense had been aimed at your sense of reasoning. A cloud is hanging over the business of life insurance, and instruction through the medium of educational institutions, public and private, and by means of an institutional advertisement will turn on the light.

I want to say to the gentlemen present representing the daily and insurance press that the life insurance business is the greatest business in the world and the least comprehended

and understood as a business and in its economic and beneficent relation to humanity. The life insurance agent who is properly following his calling is ministering to humanity in the capacity of the clergyman, the doctor, the educator, and he is heading off the charity worker, and his vocation calls for mental development in discernment of human nature, and as counsellor and adviser is second not even to the profession of law. I make this statement to emphasize the fact that this movement springs from unbounded enthusiasm and abiding confidence in the business of life insurance conducted as it should be with an intelligent community of interest between the people, the companies and the agents.

The men who are urging this movement are not agitators, and they recognize the value and necessity of the closest spirit of amity and co-operation between the companies on one side and the agents on the other. For that reason it is proposed that the agents of the country contribute the funds necessary to inaugurate this campaign on the same basis that the companies were asked to defray the expenses, namely, five cents per thousand on the basis of individual production, and five cents per thousand on the basis of agency production.

The Ox-team Method.

The president of a prominent company commented recently upon the lack of understanding of the people in regard to life insurance, mentioning especially the matter of policy loans, recommending that the agents of that company indulge in a campaign of education. The agents of the country have been indulging in a campaign of education for a great many years. They have improved conditions, but *men of experience in the field recognize that the process of word of mouth and shoe leather, unaided by printer's ink, is the ox-team method.*

People read to-day, and if life insurance as an institution cannot and does not construct institutional reading matter that will educate the people in regard to life insurance in its many ramifications, then that is the fault of the business, and not the fact that the people do not need educating and that they are not ready to receive it.

Did you ever stand in a busy thoroughfare in a crowded city and see the automobiles and electric vehicles rush by and hear the whirring of the trolley car, and think of the electric light and telephone in the buildings about you, and have almost an occult feeling as if you were transported to another planet because of the modern inventions and conveyances about you? Then did you ever make comparison in your mind as to the advancement of field conditions in life insurance in the last generation?

A Union of All Forces.

Let me read from the *Insurance Field* of August 29, 1913:

"There is no error in pressing the point that although things are and have been improving in life insurance they can be made much better by a union of all the forces that are behind it to educate the public in its great beneficence and usefulness. The rule has always been to take fortune at its flood—to strike when the iron is hot."

Notice the expression, "Union of all the forces." Ah, gentlemen, there is the point about which this whole proposition swings. The people have been threshed to death with extreme partisanship. No two agents tell them the same thing and no two companies recommend the same kind of insurance as meeting the *economic requirements of the policyholder, the one who pays the premiums.* For once in the history of American life insurance we have the opportunity to come together upon a common plane and strike while "the iron is hot."

The *Outlook* in its issue of last week very ably puts the situation in the statement:

"If this bureau fulfils the function thus outlined, if its animating spirit is not to garner more premiums or write a greater volume of life insurance, but to *insure*—we purposely lay emphasis on the word insure—more people against the privation of death or of old age, it will perform a great and useful work."

EQUIPMENT

The Columbian National Life Insurance Company is a corporation chartered by and conducted under the laws of the State of Massachusetts, transacting the business of Life Insurance on the non-participating plan, and also a commercial Accident and Health business. No company has a more complete equipment of policy contracts, in both Departments, designed to meet every legitimate need for insurance protection. Every contract is clearly and briefly expressed in definite language, so as to be readily understood by insured and beneficiary. Specimens cheerfully furnished to friends or competitors.

The Company has no present opportunities among its Life general agencies, but will be glad to correspond with agents desiring a direct connection with a growing and progressive Accident Department.

THE COLUMBIAN NATIONAL LIFE INSURANCE COMPANY

ARTHUR E. CHILDS, President

WILLIAM C. JOHNSON, Vice-President and General Manager

Let us use our reason and not our prejudice in deciding this proposition. Is it not true that the situation demands attention? Is it not psychologically sound and reasonable that when the people read about life insurance and get the same story in the different magazines and the daily press, and learn to recognize that the information is institutional and not partisan, it will have the desired effect?

During the present summer I have stood for over an hour on more than one occasion in the hot sun when it was a hundred degrees in the shade, talking to an Iowa farmer who did not carry a dollar of life insurance. This experience with an intelligent class of farmers more than ever imbued me with the idea that institutional advertising of life insurance is a practical proposition—and it is a pre-eminently practical proposition—but that experience and close attention to the matter in other ways for eleven months has convinced me that it is a duty resting upon the shoulders of insurance men, which responsibility cannot be shirked or ignored. If a farmer and his wife (do not forget the women in this proposition) read about life insurance in their daily and farm papers and current magazines, and you send an intelligent and reliable agent to them, the problem is solved.

Part-Time Agents.

Those who differ with John I. D. Bristol, of New York, in regard to his decided stand on the proposition of part-time agents make the claim that, if Mr. Bristol were transacting business in an agricultural State his views and practices would be different from what they now are.

I am trying to do business in the States of Minnesota, Iowa and South Dakota. If this association will adopt and carry out the idea of an institutional advertisement I will take my chances in these three great agricultural States, and against the other fellow who keeps up the practice of appointing the pseudo agent, the part-time agent and the unreliable and unintelligent agent.

Only recently the statement has been made to me, as it has been made more than once during the year, that the companies were not in favor of this plan because some were already writing their legal limit and others approaching the limitation. To begin with, if representation is standardized, the legal limit, which can be raised, would not be so much of a factor, and the men drawing the commissions paid by the companies would be making a living wage, and the people, the *policyholders, the ones who pay the premiums, would be receiving an adequate and deserved service.* The Honorable J. A. O. Preus, Commissioner of the State of Minnesota, a commissioner who is doing some real life insurance thinking, says:

"In this State and in most other States, the Commissioner of Insurance is obliged to license anyone to solicit life insurance who applies for a license. A man who is a milliner or a horseshoer can obtain a license and become the adviser of his fellow man."

Startling Statistics.

Perhaps you think this a rambling discussion, and I am sorry that I did not have the time to prepare nor to read here a complete address covering this topic somewhat in the nature of that read at the Insurance Congress in Seattle last June. However, with some companies writing their limit and others approaching it, with pseudo and part-time agents, and with plenty of those whose lack of intelligence and integrity disgrace the profession, the fact remains that the people of this country are only indemnified through the medium of life insurance to the extent of \$28,000,000,000, or only about \$300 for every man, woman and child in the United States; that nearly \$10,000,000,000 of this amount is not the kind of insurance *you sell*, and sooner or later must be converted into sound insurance, *the kind you sell*; that the insurance you sell is only indemnifying the men, women and children against all future contingencies by life insurance to the extent of \$200 per capita; that the total amount of insurance carried is only about \$1,500 for each bread-winner, *or the amount of*

the kind of insurance you sell only about \$1,000 for the head of each family. Ten thousand dollars legal reserve insurance in standard companies for each family head, or \$180,000,000,000, is not too much insurance for the fathers and sons to carry in this country.

Is education in life insurance necessary? Is an intelligent use of printer's ink imperative? Do you want to combine in these things in a spirit of common brotherhood, or shall we continue to tear at each other's throats and let other world movements stand by and jeer at our ox-cart methods, and the people remain in ignorance of the true functions of sound life insurance?

If you are an agent writing \$200,000 a year, is it not worth \$10 a year to you? If you are writing \$300,000, is it not worth \$15 a year to you, and if you are writing \$400,000, is it not worth \$20, and if you are writing \$500,000, is it not worth \$25? If you are the head of an agency organization and you are writing \$1,000,000, is it not worth \$50 a year to you, and if you are writing \$2,000,000, is it not worth \$100 a year, and if you are writing \$5,000,000, is it not worth \$250, and if you are writing \$10,000,000, is it not worth \$500 to you?

Much work has been done and lines well laid to carry this plan of general education in life insurance and institutional advertising in life insurance to a practical and successful fruition. You and other insurance men over the United States are given the opportunity to come together in a spirit of common brotherhood in rendering an enormous service to your fellowmen and, coincident with this service to humanity, you are given the opportunity to increase your incomes and raise the great profession in which you are engaged to its true position in the world's work.

Convention Notes.

Many of the pioneers of the National Association were unable to attend the convention because of illness and other unavoidable causes. However, there was a goodly number of the veterans on hand and much in evidence, although I. Layton Register, of Philadelphia, who was chairman of the Entertainment Committee, wired his regrets at not being able to be present. The other members of this committee were: C. W. Anderson, New York; Joseph Ashbrook, Philadelphia; Tilden Blodgett, New York; Richard E. Cochran, New York; Ezra De Forest, New York; Joseph A. Goulden, New York; Henry C. Lippincott, Philadelphia; Everett H. Plummer, Philadelphia; Charles H. Raymond, New York; William M. Scott, Philadelphia; Amos Wakelin, Philadelphia.

The reception at the Marlborough-Blenheim on Tuesday evening fully measured up to all anticipations, and the Reception Committee, of which Edward P. Langley, of Philadelphia, was chairman, deserves much credit. Mr. Langley was assisted by James H. Glenn, Philadelphia; Julian S. Myrick, New York; H. Kendall Read, Philadelphia; George F. Schilling, Philadelphia; R. M. Simons, New York. A sub-committee of ladies consisted of Mrs. Florence E. Shaal, of Boston; Miss Sara Jones, Chicago; Mrs. Eugene O. Mosier, Philadelphia; Mrs. Everett M. Ensign, New York.

Other committees having local arrangements to look after were the Press Committee, the Banquet Committee and the Banquet Ticket Committee.

Special attention had been paid by the General Convention Committee to the decorations in the ballroom on the Steel Pier. Canadian and American flags were festooned and draped from the balconies, and an isle of immense palm and bay trees led from the main entrance of the ballroom to the seats. An artistic arrangement of palms and ferns on the stage made an ideal background for the speakers and officers.

There was no business session of the convention Wednesday afternoon. The General Committee had chartered four of the safest and speediest yachts for the entire afternoon. The boats left the Inlet Pier at twenty minute intervals, and those who took the sail were exceedingly enthusiastic over the trip.

There were also a number of company gatherings and an informal dance in the grotto of the Hotel Rudolph.

W. D. WYMAN
President



W. S. WELD
Supt. of Agencies

Liberal Contracts to Productive Agents

If unattached and interested, please fill out the blank below and mail this to address given and a proposition for an agency, if in authorized territory, will be submitted.

Name _____

Address _____

State Experience _____

References _____

EFFICIENCY METHODS IN THE SOLICITATION OF LIFE INSURANCE.

Real Progress Made by the Elimination of Waste, Transformation of Losses Into Profits and the Creation of By-products—All Standards Constantly Reaching Higher Levels.

Address of Winslow Russell, Agency Manager, Phoenix Mutual Life Insurance Company, Hartford, Conn.

These are great days in which we live. The increasing demands upon men and women to supply the world's needs in every direction are adding responsibilities to those whose leadership places them in positions where right decisions mean so much to the many who seek their councils.

Men and women everywhere are realizing this, and standards are going higher with each day. Upon all sides are heard the pressing demands for greater efficiency. Students in every line learn that real progress can be made by the application of methods which accomplish the elimination of waste, and which will transform losses into profits and create by-products never dreamed of in the rush and crush of competitive standards of the past.

With these general studies have come different standards in our own profession. There have been times when free and frank platform discussions and interchange of ideas between competitors in our business were harder to get than we find it to-day. Henry Van Dyke, in describing happiness, says: "Once it was not mine, and then it was mine, and now it is mine, but not alone"; and the standards of the real business life to-day are such that it is a joy to share with others, even our closest competitors, those things which we have found helpful to our own.

We should have a greater community of interest in this business of life insurance than in almost any other, and if by any interchange of ideas we can help to make success more real for those who enter our profession, we shall at the same time be contributing much to prevent unnecessary failures which for years have marked the course of this business.

And so we are here to exchange views on efficiency methods. No one institution has yet found the only panacea for all the ills of the business. Many underwriters present may be far beyond the standard of efficiency which is presented at this time. Some of the plans here suggested may not be workable in many fields, and if, from the study of some facts presented, there shall come an aroused desire in the mind of one person to do his or her larger share in more efficiently contributing to the highest possible standard, then the half hour which we spend together will not be in vain.

The subject to be represented may leave greater suggestion in your minds if we here resort to charts. We are to deal with suggestions for greater efficiency in agency building, and shall present it all in very simple terms. Chart No. 1 presents two requisites for the high standard of efficiency.

FIRST REQUISITE: EFFICIENCY IN THE HOME OFFICE.

Knowledge of field conditions.
Sympathy with field problems.
Well-developed service.

SECOND REQUISITE: FIELD EFFICIENCY.

Managers who manage.
Agents who succeed.
Satisfied policyholders.

A Home Office inefficient in its field methods ought not to expect too much from its agents, either in quantity of business or the all-important question of quality.

If there is to be skill in its agency department the executives will require that those who deal with the field problems shall carefully study and know the field conditions.

When agency officials appreciate what the real problems of their staff are, there will be a greater sympathy with all those whose work is so important to the company's welfare.

When the Home Office puts into its own efficiency program the real spirit which knowledge and sympathy will suggest, it will find that its great responsibility is to render a service to its soliciting force which is constantly being developed and improved to meet changing conditions.

The field service of 1906 will never again apply to the field conditions of 1913 or 1914, and a rate book and desk will be but a small contribution to the success of the man who gets them.

When high-grade service is applied the second requisite is in real process of accomplishment, and the company is found to possess among its best assets a corps of managers who manage, a steadily increasing number of agents who succeed, and these two mean a healthy body of well-satisfied policyholders.

If real efficiency in agency work is to prevail, it must have certain well-established underlying principles upon which a general plan may be worked out. No haphazard work will accomplish permanent results. A helpful chart is here used, taken from Prof. Walter Dill Scott's book, "Increasing Human Efficiency in Business." Two young men were given the "Chinese Ring Puzzle" to solve. Each one tried it ten times. The first one took a considerable period in studying the solution and found the principle, solving it each of the other nine times in less than half a minute. The second one sought no principle, and the chart shows him struggling away at the tenth attempt almost as hard as in the first. The time consumed by the man who used a method was less than one-fifth that which the second man used.

And so it is in handling the agency end of the life insurance business. Agency officials, managers or general agents who are in the rut of haphazard methods will find, as Hugh Chalmers well said to us a few years ago, that "the only difference between a rut and a grave is in the width and the depth." Carefully made plans and efficient service will make unhappy agents happy and will conserve their time and energy, and sometimes transform failures into successes.

The third chart—

HOME OFFICE.

Field men of quality rather than business in quantity.
FIELD.

The rate of commission does not necessarily determine the agent's compensation.

means that when the Home Office meets the requirements detailed upon the first chart it will discover that "men" are more important in the long run than "volume." Upon the other hand, when the manager gets his "efficiency program" ready for action, he may discover that "rates of commissions" are not the sole requisite to secure the all-important "incomes" for his men. It is likely that there were more failures among solicitors in the old days on 80 and 90 per cent. contracts than there are in the present days at half that, and the agent may have a 75 per cent. contract and earn only \$3 a week.

The next four charts points to some important conclusions that are worth careful study. No. 4 says:

INEFFICIENT, UNTRAINED SMALL

producers cost good producers money.

The greatest efficiency in AGENCY BUILDING can be brought about by subtraction rather than by addition.

Trouble Proof are the Policies

ISSUED BY THE



THAT'S WHY AGENTS
HAVE A MINIMUM OF
TROUBLE SELLING THEM

Now Then!

A close study of the facts which prompted the first half of this chart cannot fail to convince the student that the development of progressive agency building service for increasing the business of the good men in our agencies, is almost hourly impeded by the losses of time and money in working to secure and hold men who are unable to earn a livelihood, and who are for the most part too indolent or feeble to get themselves into a successful atmosphere from one year to another.

Think the problem through, ladies and gentlemen and the second half of the chart will perhaps appeal to us. It is probably a fair statement to make that the greatest need in the business to-day is to subtract from our agency organization rather than to add—so far as numbers are concerned.

Perhaps the suggestion in the next chart will help us to clinch the argument.

Sixty-four thousand licensed agents in New York, Massachusetts and Pennsylvania in 1912.

Five New England Companies doing about the same amount of business had 3,300 agents who produced less than \$15,000 each in 1912.

	Total Agents.	Under \$15,000.
No. 1.....	1,240	800
No. 2.....	1,054	725
No. 3.....	1,045	731
No. 4.....	669	420
No. 5.....	647	421
	4,655	3,097

66.5 per cent. of their producing force did about 10 per cent. of their business.

Deduct, if you please, a considerable number from the 64,000 who represent the industrial companies, and then some more for the men who are licensed by more than one company, and some people will not find it hard to conclude that insurance companies and their managers have made it too easy for men to receive commissions under the title of "agents." And if further proof is needed the second half of the chart may supply it. Is it too frank to say to you that real good men will probably not be attracted to our business as a profession so long as we allow such a situation to continue?

Chart No. 6 continues the argument.

One New England Company had 419 men in 1912 who paid for less than \$100 in new premiums.

Total premiums	\$17,621
Average premiums	42
Average earnings at 40 per cent.....	16

We are at a point now where it is your right to ask for some remedy, and one is suggested in this chart:

ONE REMEDY. Elimination of the weak ones.

Higher training and better service for the strong ones.

To weed out is not sufficient in a new efficiency program, for in too many cases it might be that there would be nothing left. Unless with the process of elimination there shall be a plan ready to put into operation which shall make for higher training and improved service for those who are succeeding, the work will not be complete.

The plans and results noted on the remaining charts are offered for the purpose of showing that certain definite results may be obtained by very simple methods. They may be varied to suit differing conditions, and it must be remembered that the most efficient plans may come to naught in inefficient hands.

A FEW SUGGESTIONS FOR DEVELOPMENT OF AGENCY SERVICE.

CORRESPONDENCE COURSE IN SALESMANSHIP.

- Beginners.
- Graduates.
- Developing daily reports.
- Consecutive weekly production bulletins.
- Weekly or monthly meetings of agents.
- Allotment contests.
- Reports of hours and prospects.

Courses in salesmanship are not new in our business, but there is little room for doubt that in building an agency organization of men new to the business something of this kind should be done. Sometimes it is difficult to make good men see the necessity of this, especially when with somewhat wider experience they see beginners studying the same course. This may be partly overcome by the use of an advanced or graduates' course.

The matter of developing prospects is too important to pass lightly, and we take it up in connection with later charts.

The "weekly" production bulletins may be used effectively if care is used that "weekly" is not spelled "weakly," and their efficiency will be greatly increased if, beside each producer's name, there always appears the number of consecutive weeks in which he has produced business. Many cases may be shown where men who were previously irregular in their production became good agents to their respective agencies by that competitive spirit aroused in them when, after producing twenty weeks, they realized that without an application for the current week, the Honor Roll would for the next week show "one" instead of "twenty-one" beside their name. We know of an instance where this spirit has already kept one man, previously a failure, upon the list as a producer for 230 consecutive weeks, and many others ranging from 130 down to sixty, and these men are all in a contest with themselves to get at least one application a week.

In some territories weekly meetings of agents are feasible; in others once a month, while in nearly every life agency a quarterly meeting is worth consideration. A self-officered organization can be made effective, and especially so if contracts are uniform. We know of one local agency staff that unanimously voted to reduce the commissions on 20 Payment Life policies 5 per cent., the manager taking no part in the discussion except to state the necessity for such reduction at the beginning.

Allotment contests are always invigorating to an agency, and should be classified as far as possible with a view to gradual increase each year.

Vital to the whole subject of efficiency is the necessity for helping the agent to realize his sense of "proprietorship" when he signs a contract. His time may previously have been recorded upon a time clock. The chances are that he has for years worked for some one for whom he had to work a given number of hours. Release this obligation and give a life insurance agent his time as his own, and unless he has a full realization of what it means he will soon be working "short hours." Any plan to suggest the value of his time will be helpful, and our later charts will show a few results from our method of doing this.

Let us now return to Chart No. 9:

A FEW RECORDS OF FOLLOW-UP RESULTS.

First Four Months, 1913.

27 interviews, 3 closed, \$60,000.....	\$1,392
25 interviews, 2 closed, 38,000.....	848
73 interviews, 6 closed, 38,000.....	1,107
58 interviews, 13 closed, 20,000.....	602
183	24
	\$156,000
	\$3,949

ONE REMEDY.

New business, 4 months, 1913.....	\$727,000
Service leads, 4 months, 1913.....	165,140



Organized 1868

Popular—Prompt—Progressive—
Prosperous

PACIFIC MUTUAL



Assets \$28,000,000

*The Only Old Line Company of Age and Experience
with Headquarters on the Pacific Coast*

Glance over the following figures, which speak for themselves:

Average Rate of Interest Earned on Total Investments.	Ratio of Actual to Expected Mortality.	Some Increases Made in Past Seven Years.
1906.....4.40 per cent.	1906.....66.82 per cent.	Rate of Interest Earned.....35%
1907.....4.91 " "	1907.....68.57 " "	Life Insurance in Force.....45%
1908.....5.16 " "	1908.....58.96 " "	Annual Cash Income.....65%
1909.....5.24 " "	1909.....53.50 " "	Admitted Assets.....106%
1910.....5.65 " "	1910.....63.90 " "	Dividends Paid or Set Aside for Policyholders.
1911.....5.81 " "	1911.....56.85 " "	228%
1912.....6.05 " "	1912.....62.28 " "	

Investigate and you will find the following are facts:

1. No company offers greater inducements to policyholders than the Pacific Mutual, because of its large earning ability, as indicated above, the completeness of protection furnished by its policies, and the security guaranteed by the laws under which the company was organized and operates.
2. No company has a cleaner or more honorable record to its credit nor a more promising future than the Pacific Mutual.
3. No company, in comparison to its size, is making a more rapid or sounder growth than the Pacific Mutual.
4. No company, because of the facts given and many others, has more to attract high-class fieldmen.

Take the trouble to become familiar with the company's history, organization and methods, and you will want to represent it.



Life Insurance
\$140,000,000

General Agents Wanted—On Liberal Con-
tracts—Two Desirable Fields
Now Open

For Particulars Write the Home Office



Home Office
Los Angeles, Cal.

This chart explains itself and shows that the Home Office service in worthy hands can be made a valuable contribution to field efficiency.

Chart No. 10—

1912.	
Business produced	\$2,037,836
Premiums	69,277
Names circularized	229,234
Replies	24,936
Average value of prospect.....	2.80
Average value to agent.....	1.12

shows some results from this form of "service" and points to the fact that from 24,936 inquiries which came to the Home Office each one was worth \$2.80 in new premium income to the general agency and \$1.12 in new commission to the agency.

Chart No. 11—

A FEW RESULTS.		
	1909.	1912.
1	\$48,000	\$244,000
2	135,000	219,000
3	37,000	180,000
4	118,500	168,000
5	37,000	153,000
6	54,000	101,000
7	40,000	95,000
8	35,000	60,700
9	42,000	60,000
10	28,000	56,000
	\$574,500	*\$1,336,700
*132 per cent. increase.		

shows the results of ten men who produced business in 1909 by undeveloped methods, and the production of the same men in 1912.

Now, approaching the final charts: No efficiency program can be complete without a plan continually before the solicitor which he knows is practical and not theoretical, and which he may have before him daily, or better still, committed to memory.

The "standard" as shown in Chart 12 has been proven of value, and a study of the figures will convince one that it is both conservative and practical.

Chart No. 12—

THE STANDARD.	
26 working days per month.	
5 interviews per day (not calls).	
130 interviews per month (not calls).	
130 divided by 2 equals.....	65 favorables
65 divided by 2 equals.....	33 hopefuls
33 divided by 2 equals.....	17 probables
17 divided by 2 equals.....	9 sure
Average policy	\$2,000.00
\$18,000 per month—average premium....	35.00
Twelve months' production.....	216,000.00
Premiums	7,560.00
Commission at 40 per cent.....	3,024.00

If a solicitor obtains five interviews per day for twenty-six days in a month, the average number of cases closed out of the 130 interviews will be nine—and, followed out, his new commission earnings, conservative figure, will equal \$3,024 for the year as a minimum.

But we said just a little while ago that few solicitors realized the fact that their time was their own, and in order to reach this "standard" some plan should be ready that will aid

him in forming habits of industry. Such a plan will require an initiative, and if a man is of the right sort he will see it to his advantage to conserve his time by making definite reports of the number of hours he spends in his canvass, the number of calls, interviews, etc.

Chart No. 13 shows one form of tabulating this data, which should be properly carded and the results discussed frequently at agency meetings.

To further establish the fact that the "standard" shown in the last chart is conservative, we need only to say that a few figures will show that if a man obtained five interviews per day for twenty-six days during a period of six months, he would have secured 780 interviews in six months, and applying this figure to the "standard" commission earnings for the same period, we shall find the value of each interview to be \$1.93.

Chart No. 14—

DID IT WORK OUT?		
1913.		
Six Months.		
Standard, 780. Value, \$1.93.		
No. 1	813 interviews,	\$1,423 earnings
No. 2	754 interviews,	1,627 earnings
No. 3	691 interviews,	1,252 earnings
No. 4	670 interviews,	958 earnings
No. 5	643 interviews,	1,617 earnings
No. 6	457 interviews,	1,009 earnings
No. 7	421 interviews,	866 earnings
No. 8	388 interviews,	783 earnings
No. 9	341 interviews,	881 earnings
No. 10	302 interviews,	1,152 earnings
	5,490	\$11,573
Average value.....	\$2.10	

gives the records of ten men who have used plans as outlined, and shows the average value of their interviews to have been \$2.10 each.

The next chart shows results from the reports of sixty-five men for the past six months. "Banner Men" are those who enrolled in an "Efficiency Staff" and reported \$250 or more per month in new premiums. "Front Line Men" are members who reported between \$150 and \$250 per month, and "Standard Men" between \$75 and \$150 per month. Further comment upon these interesting figures is perhaps unnecessary, except as attention may be called to the average number of hours, average value of each soliciting hour and of each interview.

Chart No. 15—

SIX MONTHS' RESULTS.	
31 Banner Men reported.....	\$67,375
13 Front Line Men reported.....	13,656
21 Standard Men reported.....	13,297
65 Total	\$94,328
31 Banner Men	11,788 interviews
13 Front Line Men.....	5,847 interviews
21 Standard Men	9,113 interviews
	26,748 interviews
Banner Men.....	4.5 hours per day—\$1.25 per hour
Front Line Men.....	4.6 hours per day— .63 per hour
Standard Men	4.7 hours per day— .35 per hour
INTERVIEW VALUE.	
Banner	\$2.36
Front Line	1.00
Standard60

With figures like these it ought not to be difficult to demonstrate to men, new or old in the service, that the difference between success and failure lies greatly with them.

NEW men are entering the life insurance profession daily, for the reason that it holds out greater opportunities than the average occupation. The life insurance man is not held down, nor is he restricted in any way in the development of his ability. Perhaps, you are giving consideration to entering this line of work. If so, it is your business to select the company where the opportunity for advancement is greatest. Our agency contracts are specially designed for men who can produce results. This company recognizes the work of the individual agent. Follow your inclination, and write the

Pittsburgh Lifeand Trust Co.

W. C. Baldwin, President

Howard S. Sutphen, Director of Agencies

Chart No. 16—

SIX MONTHS' RECORD.

	NEW PREMIUMS.		Increase.
	1912.	1913.	
1	\$688	\$2,176	216 per cent.
2	1,740	4,937	183 per cent.
3	816	2,217	171 per cent.
4	849	1,984	133 per cent.
5	764	1,532	100 per cent.
6	921	1,831	98 per cent.
7	988	1,888	91 per cent.
8	1,286	2,407	87 per cent.
9	937	1,426	62 per cent.
10	1,063	1,665	60 per cent.
11	1,191	1,750	46 per cent.
12	2,302	3,336	44 per cent.
13	1,510	1,979	31 per cent.
14	1,558	1,948	25 per cent.
15	2,198	2,640	20 per cent.
	<u>\$18,811</u>	<u>\$33,816</u>	79 per cent.

is shown merely to clinch the argument, if need be, that a definite efficiency plan may be made effective. This chart shows the six months' record of fifteen men who reported as members of the Efficiency Staff. It also shows the records of the same men for the first six months of 1912 without any report which might tend to conserve their time and energy.

To briefly sum up the whole: We believe that it is important to adopt some very definite plans for continually improving service for those who enter our ranks. Experience shows that the best men come from other lines and know practically nothing of our business. Many of them have been selling things that appeal solely to men's heads. To the selfish man. We must train them directly away from that—to the straight heart appeal. To train men to interest others in investing their means in an unselfish way is no easy task.

Happy are the agency officers of a life insurance company who can make of themselves a background for a policy that will transform the ideals of their salesmen, who by patient training and careful planning are able to make over a cold, calculating piece of machinery into a successful minister of the gospel of protection for loved ones.

Happy the general agent who, by farseeing methods, is willing to forego a few of the immediate benefits that some time seem to come to unscrupulous competitors, and patiently bide the time when he, by clean methods, has carefully gathered about him a corps of solicitors who work for the love of their office as well as the necessary money compensation.

Happy the solicitor who, by close study and efficient co-operation with the general agent and the Home Office, builds up a clientele of men and women who rise up and call him blessed because he has been the means of convincing those who have passed on that a part of the plan of life was to live on through the unselfish deeds done in the flesh. Let no opportunity slip away from us, fellow underwriters, to build our part of the foundation right before God and man.

"CREATIVE SOLICITING, RATHER THAN COMPETITIVE."

First Prize Essay.

By George W. Johnston, President, The Johnston & Collins Company, General Agents, The Travelers Insurance Company, New York City.

Competitive soliciting sells insurance by proving from comparative statistics that there are many poor companies and a single good one. This enriches second-rate agents, enables ignoramus to pose as experts, and is showy because the light is in a vacuum. For muddling a clear subject it is ideal; the method originated with the squid. It is as needless as using

quantitative analysis to sell wheat, and false as figures. In malignant, destructive force, it is identical with rebating and twisting. As a gentleman's occupation, it blends piracy with garbage handling.

Now, in an era of sanity, is the time to stop it. The trend is forward; management grows not clean merely but aseptic; we work under microscopes. Feudal warfare ceases; from old discords and barbarisms is evolving a code of ethics. Amid such renaissance this evil survives like weeds among crops, half-tamed brutish instincts or inherited blood taint; an anachronism, echo of inquisitions, a harking back to bigotry. It violates the true professional creed—not self alone, but Insurance!

Fair Competition.

Nobody objects to fair competition, which is the life of life insurance. It is keener to-day than ever, insurers more critical, agents abler. Dreamers say insurance sells itself; let them try it! We are zealous or starve. Some things, though, are taboo: poisoned weapons, the stiletto. Bankers never villify bankers, or doctors belittle doctors. Only quacks practise insurance defamation. It robs better men. It obstructs, for buyers are not fools; rings false, arouses suspicion. It fails; nobody wins woman's love or man's confidence decrying rivals. It worse than fails; it kills business; the listener, puzzled, bored by controversy, concludes insurance is a mystery, all companies questionable. Such work is no profession, only a sorry trade.

Who are we that sink so low? We boast of our mission as apostles of altruism. Then live our gospel! Be no selfish hypocrites! Paralleling obligation to insure is our obligation—though for others, all others—clients, companies, brother agents. Others originated insurance; we are but heirs through grace, tenants at sufferance, trustees. Let us then create, not destroy; help, not hinder, our whole great institution; say of rivals what we would have rivals say of us; make it easier for other men to sell, so that everywhere the most possible families may be safeguarded, age universally sheltered, insurance grow in respect and affection.

Success begins with this subjective attitude. Creative soliciting is knowing first insurance, then what not to say, what to say, how to say it. Exactly how, everyone teaches himself. Figures do not sell insurance, manhood does. What wins is ultimate purpose, one's better self. What do we seek—a living? Trickery is the hard way to earn it. If more, to live not long but largely, bequeath to our children a name, there are surer ways. Higher than achievement is the aim to be, to live clean, extract work's essence, be all our natures can attain. These considerations, the upward, inward look and not the words he speaks, differentiate up-builder from destroyer, true insurance man from sharper. Creation is inspiration; no formulae exist for character or guide-posts for genius.

Avoid Comparatives.

To overcome competition, decline it as duelling. Avoid comparatives and superlatives, because insurance is not question of better and best but good. Surprise by being different, generous; praise disarms like Aesop's south wind. Knowing there is no best company or policy, say so. Show not how other companies are bad and yours superior, but that to insure is wise, all companies sound, yours and its policy so desirable that further search is wasted. More is satiety. To any man sick of statistics and scandal-mongers, it is refreshing to hear a big theme treated broadly.

Creative soliciting is positive, not negative; leads, not follows; initiates demand, satisfies, retains by service. Our real competitors are ignorance, coldness, indifference, procrastination. Focus effort here; know much to talk little, avoid technicalities, pronounce your clients' shibboleths. Fend hostility by dignity. Win confidence. Be likeable; for personal charm, the smile, the courtesy of greeting, the very manner of handshaking, trifles apparently, count more than dividends. When men like us they listen. Our message need not be new; great things are old, elemental things immor-

(Continued on page 48.)

SERVICE

The highest ideal of life insurance!

The State Mutual Life Assurance Company Of Worcester, Mass.

BURTON H. WRIGHT, President

enjoys an unequaled record of service to its thousands of policy-holders and their beneficiaries, extending over a period of seventy years.

Drop a line to Edgar C. Fowler, Superintendent of Agencies, and let us convince you that we have the right ideals that build for our mutual

SUCCESS

The Agent and Broker Who Represents The Travelers Enjoys Great Advantages

Every man is a prospect for more than one line of insurance.

The Travelers Agent and Broker, supplying these several needs possesses the broadest and most remunerative field for his efforts. ONE AIDS THE OTHER.

Guaranteed Low Cost Life Policies

The Most Comprehensive Accident and Health Policies

Liability and Compensation Insurance. All Forms.

THE TRAVELERS INSURANCE COMPANY

HARTFORD, CONN.

Sylvester C. Dunham, President

tally fresh. There is one fundamental creative argument: men die, age is helpless, insurance protects. Human nature concedes the logic—for other people. Paradoxically, not the certain but the possible, fear not of death but ill-fortune, decides most men. They want savings funds with incidental indemnity. We call this selfishness; it is life's healthy optimism. Handle it tactfully, persuading rather than arguing. Consummate salesmanship is the art, almost poetic, of making attractive as privilege what as duty is repellent.

Creative soliciting explains principles: that insurance distributes losses; without it commerce would crumble, almshouses*replace schools. It is safe; no laws so rigidly observed as those regulating it; no trusts so efficiently administered. Of modern machines this is nearest perfection.

Individual Needs.

Creative soliciting regards individual needs. What proportion of your income would continue after death? What comforts would your wife retain? Your sons, would they receive education and a start? Your daughters, are they safe from social wolves? Your family now carries the risk; premiums would not be spent but saved. Cover still another hazard: women seldom understand investment; hot-house nurtured, should they be exposed to sleet? Then by life incomes insure your insurance. Outside of family are needs—debts to cover, credit to preserve. For partnerships, insurance is the cement of steel-concrete construction. Corporations owe to stockholders conservation of rare personality which is coessential with capital, and without which railroads are streaks of rust.

Give for profit advice so intimate, and we become responsible like lawyers drawing wills. To merit such confidence pays more than commissions. For the world loves its builders. It forgets the madman's name who fired Diana's temple, but holds in glad, undying remembrance him who reared the Parthenon. To build insurance, place but our one sound brick, laid true, in a structure, where others may then place theirs, this is constructive salesmanship. It is a man's work, work for humanity.

Second Prize Essay.

By R. O. Miles, General Agent, The Connecticut Mutual Life Insurance Company, San Francisco, Cal.

In these later years *Salesmanship* has advanced to a science. It is no longer merely a weird and mysterious *magic* by which one man influences another to buy from him an article which he may or may not want. It is no longer, as it was in the early ages, an *exchange* of necessary commodities. It is no longer a happy hunting ground for the *shrewd* and *unscrupulous*, but it has evolved from its first stages of necessary exchange, through all the mazes of charlatanry, bringing with it the *best* from each stage, until it has grown into a science and a profession. Slower than the professions of the physician and the lawyer in its development, it has, however, reached a degree now in which it is building *its own* etiquette and coming to *its own* recognition.

In view of this modern science of salesmanship I shall attempt to give you my ideas on the subject of *creative* solicitation and shall endeavor to show that from the standpoint of the best *mental laws* and the best *ideals* of this new science of selling there should be no room for *competitive* solicitation. Of course there will always be competition, but life insurance soliciting should be *creative* and competition should *not be coupled* with the selling idea or be used in antithesis to it.

Some successful agents state that only a *small* portion of their business is secured in competition. Others question the truthfulness of such statements and declare that 50 *per cent.* of their business is in competition. The degree of success of the first is generally *greater* than that of the second, for competition means *argument* and *argument* accomplishes but little. The reason such a difference in experience is found among men selling the same thing is because the first *con-*

EQUITABLE ADVANTAGES

Some of the good things enjoyed by Equitable Representatives

The backing of one of the largest and strongest financial institutions in the world.

A Participating Company.

A Prompt Paying Company.

Of the 5,153 domestic death claims paid by the Equitable during 1912, nearly 98 per cent. were paid within one day after receipt of "Proofs of Death."

A Company whose policies are standard contracts, drawn to conform to the insurance laws of New York and other States.

A Company issuing every desirable form of insurance, including Corporation Insurance, Income Insurance, Group Insurance, Monthly Premium Insurance, Home Purchase Insurance, Joint Life Insurance and a large variety of Annuities.

A Company sufficiently large and strong to insure applicants for large amounts under a single policy.

A Company whose policyholders include the World's Captains of Industry, whose identification with the Equitable is in itself an endorsement.

A Company whose canvassing documents are comprehensive, adequate and attractive.

A Company engaged in a broad "conservation of life" movement—aiming to lengthen the lives of its policyholders as well as insuring them.

The Society has openings in practically every State for energetic soliciting agents of character and ability. Address

The Equitable Life Assurance
Society of the United States

165 Broadway New York

structs on what *he himself creates*, instead of destroying what another implants.

In true creative solicitation the fate of competition is to be ignored. Don't use the *negative* side of a proposition, but use the *positive* or creative side. The negative leads to inaction through argument, procrastination, harmful indulging in personalities, directing the attention from the proposition of *use to the buyers*, to a bickering over useless technicalities, destroying of another's ideas rather than the creating of your own. The *creative* or positive side of soliciting leads to satisfaction and action. If forced into competition by someone else the best weapon against it is a knowledge of your own business and of men. The knowledge of competing lines of business is of *secondary* importance and should be kept behind you for *protection only*.

Creative salesmanship is developed by the expert salesman largely through the *implanting* of *right* ideas in the minds of others in a non-argumentative, expository manner. With a creative *foundation* the constructing of your business may take place with little chance of competition becoming harmful, even though it does occur. What a desirable yet simple

thing to cause a need to be felt, and then when that need has been realized, see to it that the thought be carried *out in action*. *Complicating the act* with irrelevant or competitive matter is never good business and simply defers the desired result. The satisfaction of defeating another man's arguments is nothing compared to the glory of a creative sale and its resultant *respect, friendships* and *future business possibilities*.

Arousing the interest of the buyer in a creative sale, the positive or strong, physical, mental and moral characteristics assert themselves at once and give the first impression of the seller as a personality. Then a salesman must know how to relate the article to the man's needs. This calls for knowledge of the thing to be sold and its merits, quick appreciation of the buyer's wants and the ability to instill into the purchaser's mind positive merits of your article. In other words, *interest* is aroused through *efficiency* in your personality, desire created through *efficiency* in your knowledge of your article and your subject, and *the making* of the sale is effected through *efficiency* in knowing how to bring a man's thoughts to their expression in the final act necessary to close.

CAN YOU SELL ANNUITIES?

We are the leading specialists in Annuity business.

Special terms for Annuities on impaired lives.

Good contracts for men who can sell our attractive Life, Endowment and Annuity policies.

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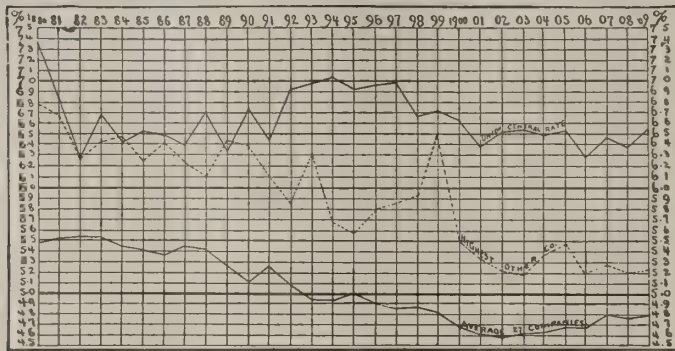
When new thoughts are created *intelligently* and *conscientious* construction follows, the result is a feeling of confidence in the salesman; a feeling that a service has been performed, and whenever *genuine service* is rendered the question of competition does not arise. In other words, life insurance should be *sold, not bought*, that your client may justly look upon you as an authority and always consult you in the future as a friend and adviser.

The true test of the real merit of a creative sale is the relation of the seller and buyer *after* the sale. The salesman must render *service* to the buyer or there is not the right kind of a sale. Begetting in a man's mind *positive* ideas, constructing and shaping them along positive lines so that they grow into a *new* desire which will be expressed in the motor actions of the buying, is not of *truly creative* quality unless

the whole transaction has foundation on an honest purpose of benefiting *both* buyer and salesman. The right adjustment between purchaser and buyer must be satisfaction of having *received* a service well rendered and of having *performed* a good service.

What greater commentary can be made on the need of men *who create* than to remind you of the fact that 5 per cent. of the people do the important thinking for the other 95 per cent.

In this, the twentieth century, the light of creative and constructive salesmanship is shining through the fog of competition, and we behold the power of education, creating, then constructing and illuminating, where in the past useless, often destructive, competitive methods held great business enterprises in bondage.



The above chart, based on the report of the Spectator Company, exhibits the gross interest realized on the mean ledger assets of the twenty-seven leading life insurance companies of the United States for the last thirty years. The upper line represents the rate realized by the Union Central and the lower line the average rate of all companies. Only twice in the thirty years has any of the other companies earned a higher rate than the Union Central. The most favorable record made by the nearest competitor in the several years is shown by the dotted line.

The Argument that Gets the Business

—"the Union Central pays larger dividends to policy-holders than any other company."

For proof of this examine the chart to the left—it shows how our company has, for the last 20 years, earned for its policy-holders a higher rate of interest than all competitors.

"It pays to work for the Union Central."

For open territory address Jesse R. Clark, President, or Allan Waters, Superintendent of Agents.

The Union Central Life Insurance Co.
OF CINCINNATI

The United States Life Insurance Co.

was organized and commenced business

in 1850

JOHN P. MUNN, M.D., President

Its Policies contain the standard provisions prescribed by the various State Legislatures and have liberal CASH, LOAN and SURRENDER VALUES.

The plans adopted by the Company are unsurpassed in clearness and fairness; and the LOW PREMIUM RATES effect a great and continuous SAVING to its Policy-holders.

NO ESTIMATES—nothing left to chance or change.

EVERYTHING GUARANTEED IN PLAIN FIGURES.

NON-PARTICIPATING INSURANCE

The Best Insurance for Business Men!

Agents will find our policies most satisfactory to their patrons, easily placed and sure to renew.

We offer desirable contracts to active men.

Life Association News

OFFICIAL ORGAN OF THE NATIONAL ASSOCIATION OF LIFE UNDERWRITERS

Entered as second class matter, Feb. 4, 1907, at the Post Office at New York, N. Y., under the Act of Congress of March 3, 1879.

Vol. 8.

NEW YORK, OCTOBER, 1913.

No. 2.

THE NEW FAMILY SERVICE OF LIFE INSURANCE.

A MODERN ANSWER TO THE WORLD-OLD AND WORLD-WIDE NEED OF FINANCIAL SUPPORT FOR WIVES AND CHILDREN AFTER THE BREADWINNER IS TAKEN AWAY.

How Lump Sum Insurance Fails to Fulfill the Purpose for Which It Was Intended. The Time of Death Not the Only Time of Need, but Life Income Contracts Begin Where Old Forms Terminated.

This is the address of former National President Charles W. Scovel at the Atlantic City Convention. Mr. Scovel was impressed into service at the last moment to fill in the time in the program which had been allotted to the Hon. A. J. Montagne, who had been detained at Washington. There was little time for preparation and Mr. Scovel spoke from hastily made notes—yet his address is regarded as a remarkably cogent elucidation of the real purpose of Life Income Insurance if there is sufficient demand to make it worth while, the article will be published in pamphlet form, copies of which may be obtained at nominal cost.

Let us first stake out our field a little. Leaving out of consideration the great general groups of service that life insurance renders to the community and the state, we come to the services of life insurance to the individual—services by the company to the individual through its contracts. There are four classes of individual services. One is the Family Service; the providing for those who are left behind at the death of the breadwinner. The second is what we may call the Estate Service, that provides cash to settle indebtedness and to liquidate the estate without forced sale of slow assets. The third is the Business Service, furnishing to corporations and partnerships the protection of spot cash that will help solve the problems that are sure to arise when any valuable man drops out.

A Valuable By-product.

All of these services, you see, are rendered at death. The fourth service is rendered during life, without waiting for death, and is one of the main services, one that is too often overlooked as a real service, namely: the service of providing Emergency Cash and Old Age Independence. This is a by-product, incidental to every one of our contracts (except those upon the temporary plan), and it ought, I think, always to be so presented. For that service is also protection, which is our shibboleth. It is protection to the man and his home against all times of sickness, or accident, or misfortune. Protection against his own dependent old age. Protection also to the business against panic times and all sorts of emergencies.

And while I am in hearty accord with much

that has recently been said as to the very great abuse of the cash loan privilege in our policies, I do not think that we want to let that affect us for a moment in presenting the absolutely legitimate service that the necessary by-product of a cash accumulation, subject to the man's order for time of emergency, gives to all who carry legal reserve life insurance. That is real protection. It is protection against what you may call partial losses of the life value, the loss where the productivity of the life is temporarily stopped by sickness or accident or misfortune. That is just as much a life insurance function as to pay a death claim (applause), if it is just as much a fire insurance function to pay for a partial destruction of the property as to pay for a total loss.

The Family Service.

Now, we will this morning confine ourselves to the Family Service, taking effect at death, but always remembering that the collateral service of emergency cash and old age provision is included in all cases. The family service that provides for the dependents after the breadwinner is taken is the taproot of the whole tree of life insurance. Here lies the great universal human need that called scientific life insurance into being nearly two centuries ago, and has made it the institution that it is. That need lies deep in the loving heart of every manly man—"How can I provide for my dear ones if I should die?" That need cries to heaven from the stricken heart of every widowed mother, "How can I feed my children?"

The modern answer to this world-old and world

wide need is the institution of life insurance, with its millions of men, united in lifetime contracts, for billions of dollars to be paid to their families—an institution now everywhere recognized to be indispensable to the progress of the race.

The coming of the insurance money into the home whence the breadwinner has just been carried out has seemed like manna from Heaven. And apparently it has been deemed all-sufficient that there should be an attitude of prayerful thanks that this manna has so descended, without much question of how the manna is going to be kept and used.

It has seemed positively miraculous that the very event which caused the family's dire need should itself bring in the money to meet it. The insurance money has seemed different from ordinary cash; it has seemed to be what the economists call "conditioned" money—worth more because of the conditions, because coming at the time of the greatest need.

The Better Plan.

Gentlemen, the economists have been right, and we have been right, in all our talk about this money meeting the greatest need, only because we none of us knew any better! The world didn't know any better. Everyone thought the best and only answer to the great need for family protection was to dump a lump sum of money into the lap of a widow who had never seen that much money before, and to do this suddenly at the very time when, whatever her need, she was least able to take up calmly and wisely the utterly new, bewildering responsibility of conserving and investing that money.

What was that money meant for? Insofar as the man meant it to glorify his memory, to cause people to say, "He was a good provider; he left so many thousand dollars of life insurance," to that extent it did fulfill its rather ignoble purpose. Insofar as it was meant to cover his death-bed and funeral costs and other current expenses it also did fulfill its purpose, and in this it rightly deserved to be called money in time of special need.

Death Not Only Time of Need.

But insofar as it was meant to extend its protection to the family on beyond those weeks of grief and bewilderment, on into the future years of the widow's life and of the children's up-bringing and education—insofar, that is, as this money was meant really to do for his family what he would have done if spared—to that extent this lump sum in the widow's lap could not possibly, by itself, fulfill its purpose. The time of death is not the only time of need. Other and even greater needs keep coming for years as the growing children cost more and more to feed and clothe and educate.

To do all this the money has to be mixed, as Velasquez mixed his paints, with "brains!" Mixed with

expert investing brains, which this widow hasn't got. If she seeks those brains in an adviser she has got to find character in him, too, or else the mixture of her money with his brains will be both explosive and expensive to her. Even if lucky enough to find both brains and character in her adviser she must always face costs, delays, troubles, and, at the best, enough risk of loss to keep her worried over the fear of coming to poverty in her later days.

Worse yet, this seemingly large sum of money is all too likely to spell riches to her, in comparison to the sums she has been used to handling. If so, it does positive harm instead of good. She thinks she can afford things for children, home or self that she never could get before; or thinks, at least, that they can keep on living the same way as before. So the insurance money, if it is really to protect the family, has to be mixed not only with the brains and character of a disinterested adviser, but with uncommon hard sense of her own and the will power to scale down the family living to the basis of four or five per cent. on the amount left after paying debts and current expenses.

A Sudden Fall.

A fearfully hard task it is for her to come down in the world to a lower level than she has been used to—a task almost impossible for her to accomplish abruptly and voluntarily and with the temptation of all that money staring her in the face. And yet if she does not do so, and do it quickly, it means living too well on the principal for a while, and then—abject and final poverty. And all this applies just the same to families living on the higher social levels as to those on the lower. Indeed, the higher the level the harder the fall. To scale the family living down from \$5,000 to \$2,500 is apt to cause more mental anguish and take more will power than to scale down from \$1,200 to \$600.

Falls Short of Purpose.

Gentlemen, when we look the plain facts in the face we see that the mere leaving of any sum falls most pitifully short of fulfilling the purpose of real, lasting family protection. Life insurance has not been really doing the thing we sold it to do! This was not the fault of life insurance. Its proceeds were just as good protection as any other money the dead man could leave. Nobody knew any better way—excepting only the trust-estate way, open usually to none but men of larger means.

The fact is, the world has for centuries needed a whole new line of financial service—needed it without knowing it, just as for centuries it needed the printing press, steam, electricity, without knowing it.

That new service is here. Life insurance has evolved it. It begins, like the old service, at that same time of greatest need, the time of death—but it doesn't

stop there! It doesn't leave the distraught widow to her own devices or to chance advices. It not only supplies the money, but applies it also. And it applies it just as the husband and father did himself—just as she has been used to handling it—namely: in a regular monthly sum to meet the current monthly expenses.

This monthly sum can be made much larger than the safe rate of interest on the principal, if invested, would amount to. And yet, it will continue coming to the very end of the widow's life, however long; and though she die early, it will keep coming for twenty years in all, long enough to bring up the youngest child to maturity. Or, this monthly sum can be made just equal to a safe interest rate on the principal, and on this basis to continue through the mother's life, and then throughout the children's lives, and then to their unborn children until twenty-one years of age—with the whole principal untouched through all those years, finally paid to these grown-up grandchildren.

Of these two fundamental plans there are several varieties and many combinations. And this, new service can be applied to the proceeds of old policies (in most companies), though originally issued without any such provisions—applied at request either of the policyholder himself, or of the beneficiary after his death. We can now work out a complete financial program for a man—including therein his old policies, and what he can take now, and what he can plan to take later on—fitting all of them together in due proportion so as to accomplish all kinds of protective purposes to the very end, through all contingencies of the distant, unknown future.

Real Protection.

Here is, in truth, the new financial service the world has so long waited for. It begins where the old service left off. It really protects the family to the very end of their lives, and even to a generation unborn. It does for the family of the wage-earner or salaried man what no other machinery will do at all. For the rich man's family it does the main service that he has sought through trustees or trust company and does it better and carries it further.

'Gentlemen, we do know better now! Lump sum life insurance is no longer the real thing in family protection—though we once honestly believed it was. Monthly income insurance is that real thing. It takes a lot more time and trouble and knowledge on our part to explain this new service and fit it to the needs of a given family, and we do not get a cent larger commission for doing so. But the simple fact is—and I put it straight to the conscience of every man here—that we are under the plain duty of urging this real thing upon every prospect desiring family protection, beyond the small sum for debts and imme-

diate expenses. If that is what he means his money for, we must in all honesty tell him of the new service of life insurance that will make the money really fulfill that purpose.

Always Applicable.

"What!" you say, "urge the monthly income plan to the man who can only carry a couple of thousand?" Yes, sir, that's our plain duty. If he can carry but \$2,000 urge him to make the odd sum of \$170, or whatever it may be, payable at once for immediate needs—with \$10 a month through at least the twenty years certain, and through his wife's life beyond that.

Just think a minute what even these smaller monthly sums really mean—and how the world is setting its approval upon just such provisions in the mothers' pension movement, the workmen's compensation laws, the many plans of churches, institutions and business concerns for old age or disability pensions. Take only the mothers' pensions now provided by law in eighteen States—in a dozen or more of them by laws of this year, so fast is the idea spreading. Take for example the new law of New Jersey, where we are now meeting. It gives nine dollars a month to a mother with one child under sixteen, with five dollars more for a second such child and four dollars more for each additional one. These sums are deemed enough to give the children proper education and religious training, as well as mere support, or the pension will be revoked.

The Pension Plan.

Or take the pension plan lately recommended by a committee of the Protestant Episcopal Church to provide for the families of its clergy. It deems twenty-five dollars a month to be a sufficient minimum for livelihood—and adds a comparatively liberal allowance for education of the children, viz.: \$8.33 up to the age seven, \$16.60 from seven to fourteen and \$25 from fourteen to twenty-one, if still dependent. This church, I understand, pays the largest average salary to its ministers, who are all highly educated, and, of course, belong to a high social level.

These two examples alone are enough to dispel any doubts of our own, or of any open-minded prospect, as to the practical wisdom of providing incomes of ten dollars to twenty-five dollars a month. That means the great bulk of our prospects, able to carry from \$2,000 to \$5,000. This is the class of families where the lump sum of money is least apt to give lasting protection and is most subject to risk of loss or unwise spending. It is the very class that most needs the new service of life insurance, and it is the class to whom we have been bringing it least.

The Sure Cure.

And yet we talk of being professional men, with a high sense of responsibility to those who must depend on our advice. Suppose a positively sure cure for

cancer had been discovered and had been in the medicine case of every physician for months and years. What would you think of a doctor who, when you entrusted to him the case of your wife or daughter thus mortally stricken, failed to use or even tell you of that sure cure, and went right on with the old-style treatment that, as he well knew, could only give temporary relief and delay a little her certain death? What would you think of him? What would you think, if all the doctors, having such a cure, only used it to attract rich patients? Eh? What would you think of them if they let the great mass of their cancer cases die lingering deaths, while pretending to give them the best treatment—merely because the new cure would mean a little more time and trouble for themselves? What kind of professional men would you call those doctors?

No, this parallel is not one whit overdrawn. It would seem more brutal for a physician to act thus, because the patient lies right there dying by inches under his very eyes. But we, too, are handling issues of life and death; and, quite as serious, issues of virtue and vice, of innocence and crime. When for lack of that ten dollars or twenty dollars a month that we well know we ought now to prescribe, some family is broken up a few months or a year or two after the father's death, and presently the boy drifts into prison, or the daughter to the streets, or the overworked mother to her grave, the responsibility is no less ours because we don't happen to be right there looking on.

Wilful Neglect.

We hold ourselves out to be professional experts in this very matter of protecting families after the breadwinner's death. We urge him, in the sacred names of love and duty, to be examined and pay the premiums and *leave the rest to us*. Our companies have long since placed in our hands the one sure poverty cure that this man can buy for his own. State and church and business have adopted the very same cure to give to charity patients. And yet we wilfully neglect to prescribe it—neglect it most in the worst class of cases—and go right on prescribing the old lump sums, to be lost or wasted and soon leave the family even worse off than before.

We can no longer say, "I didn't know." Dare we henceforth—*dare* we say, "I forgot," or "It was too much trouble?"

**EVERYBODY'S DOING IT!
DOING WHAT?
WHY, SENDING IN A DOLLAR FOR
A "BIG BEN" BINDER.**

NATIONAL PRESIDENT CLARK'S INAUGURAL ADDRESS.

Strong and Progressive Platform Outlined at Annual Function of the Pittsburgh Association—Higher Degree of Professionalism Urged—Popular Education, Conservation and Taxation to Receive Thoughtful Attention and Effective Action.

For thirteen years your magnificent association has been accorded the self-appropriated right of inaugurating the new president of the National Association of Life Underwriters, a function which has become as firmly fixed in an unwritten section of the National Constitution as the President's election. It has been my privilege and pleasure to attend the Pittsburgh "inaugurals" for many years, in varying official capacities, but to-night I am enjoying the rare honor and distinction of playing the principal role.

On these occasions it has been customary for the president to discuss briefly the present conditions and influence of the Life Underwriters' movement, and the work contemplated by the executive officers and committees on behalf of the National Association during the new administration.

This great national organization has just completed twenty-three years of history, which have meant everything to the life insurance interests of the United States and Canada. With a present membership of eighty-four associations in the United States, beside thirty-three in Canada, it has been able to extend its influence into practically every city of any size in the two countries.

General Reforms.

During these twenty-three years its influence and energies have been directed towards reforms and general improvement in field methods, legislation and better service to policyholders. Our membership throughout the country seemed to have caught the spirit of the movement as was intended by its founder, the late Col. Chauncey Munroe Ransom, as outlined in his address before the Milwaukee convention in 1897, entitled "Origin and Growth, Present and Future, of Life Underwriters' Associations," from which I quote the following two paragraphs:

"There is a great and far-reaching responsibility resting upon the members of these associations, and they should spare no effort to protect the business of life insurance, as well as the associations, from the assaults of foes, whether they be within or without the walls.

"Above and beyond the desire to see the association idea successfully carried out to its logical end, should be the determination to relax no effort which will place the business of life insurance on the topmost pinnacle of fame, and which will thus enable the men who at present constitute the membership of Life Underwriters' Associations to leave to their successors an inheritance of good work and of duty well performed."

Anyone attending the recent Atlantic City convention could not fail to appreciate the vast influence and benefits to be derived from such a program as that presented, and how deeply that determination to "place the business of life insurance on the topmost pinnacle of fame" has become rooted in the Life Underwriters' Movement.

Life Insurance Education.

Notwithstanding the far-reaching results which have already been accomplished, a broader and more important work now confronts us, namely, Education, Conservation and Anti-Taxation. Education, involving a higher and more scientific training of agents and systematic instruction in the fundamental principles and necessities of life insurance for the benefit of the insuring public. The life insurance agent of the future must be educated and trained along the most careful and scientific lines, in order to give to his clients the intelligent and conscientious service which their individual needs, according to varying conditions and circumstances, re-

quire. His services should be strictly professional in character. Let me, therefore, urge all general agents and managers to exercise the greatest care in the selection of agents, contracting only with those whose intellectual and moral qualifications indicate their fitness for this high calling.

Give no place to the man who has been previously connected with another agency or company unless he comes to you well recommended, with an absolutely clean and honorable record. If this practise is faithfully adhered to by the members of this great organization, it will not be long until the life insurance field will be free from the rebater, the twister, and those who misrepresent instead of represent the noblest institution on earth. In this connection let me also urge the elimination of the part-time agent in all metropolitan agencies or large centers. Gentlemen, the necessities of our business in the future, the protection of the insuring public against ignorant handling of their life insurance interests, and the protection of those agents who are devoting their lives to this intricate profession, along lines of intelligent training and conscientious service, demand it. Higher education of the agent, and improved efficiency methods, with the elimination of those agents who do not show either desire or capacity for attaining to these standards of service and efficiency, should be the aim of every general agent and manager throughout the United States and Canada.

Carefully Trained Agents.

The agent who has been properly educated and trained should be familiar with the principles, practises and history of life insurance, beside a thorough knowledge of his own company, its methods and policy contracts. He should study the needs of his client, advise the particular kind of insurance which conforms to his requirements, and instruct him in the fundamental principles of life insurance, its benefits and relationship to the life value, that the policyholder may at all times better appreciate the necessity of maintaining his insurance in force until the terms of the contract are completed in their entirety, avoiding all temptation to lapse, surrender or borrow on the policy, unless for a temporary emergency to prevent its lapsation.

Life insurance is often called a business. Properly speaking, however, it should be universally classed as a profession—the educational training and qualifications of the present-day successful agent, combined with the character of service rendered the insuring public, having long since settled this question.

Magnitude of the Institution.

Let us for a moment review the magnitude of this great institution of life insurance, which has been built up by our American life insurance agents. Last year, according to official reports, there were 232 legal reserve life insurance companies doing business in this country, with admitted assets of \$4,572,000,000, with 34,878,969 policies in force, aggregating \$19,745,000, distributed over 25,000,000 lives. The annual income of these companies was \$843,256,000, and they paid out during the year \$645,056,000, besides increasing the reserve and surplus to the credit of policyholders \$408,016,000, the combined disbursements and increase of assets and surplus aggregating \$359,675,000 in excess of the premium income from policyholders. When one stops to consider the real meaning of all this to the social and economic life of this country, can he be impressed with anything but the most profound respect for the great institution of life insurance, and can any agent fail to appreciate the dignity of his profession?

Notwithstanding the immensity of the volume of legal reserve life insurance now in force, it is less than 7 per cent. of the estimated commercial value of our American lives, which is computed at \$350,000,000, consequently the life values of this country are to-day more inadequately protected than any other form of commercial value subject to destruction.

The National Association has really come into the fulness of its power for usefulness. Its membership, constituting a potentiality, the influence and force of which cannot be measured by any known standard. As "service" is our key-

note, it is our duty to study the lines along which we can best serve the interests of our policyholders, and by so doing we also render the best service to our companies and ourselves.

The Special Committee on Education and Conservation, of which Warren M. Horner has so ably and efficiently acted as chairman, with the advice and co-operation of the Executive Council, has presented to us a campaign of education for the benefit of the insuring public which must necessarily result in a more intelligent understanding of the fundamental principles of life insurance, a deeper appreciation of its benefits and necessities, and with a corresponding increase in the number of lives written and average amount at risk on each life. The educational groundwork already accomplished during previous administrations has been magnificent. There are now over forty of our best universities and colleges which have courses of instruction in life insurance, and similar courses will doubtless be installed in other universities as rapidly as circumstances permit.

Life Insurance in Schools.

The first course in life insurance to be adopted by any of our American colleges was by Harvard University in 1897, and the last one was by the University of Cincinnati, notice of which I received on Sept. 29. Similar courses have also been introduced into a number of our business colleges and high schools throughout the country, and it is in this class of institutions, and even the grammar schools, that we wish to have introduced that form of instruction in life insurance appropriate to the grade of school involved. If our student class were taught in the various educational institutions of the country the fundamental principles, benefits and necessities of life insurance, there would develop later an unconscious appreciation of the moral obligation on the part of young men to provide adequate protection for their dependent ones or their estates against the ultimate destruction of their life values. And this life or income protection would be more intelligently selected, more in keeping with their financial condition, and more consistent, so far as amount is concerned, with their individual life values.

If life insurance were thus understood by the student classes, its effect would soon be reflected through the medium of an increased volume of insurance written, reduced lapsation, fewer loans made against policies, a less number of foolish and vicious laws introduced in the several States, and a material reduction in taxation.

The Conservation Movement.

This brings us to the other branch of this great movement, which runs in a parallel channel, and at the same time is dependent on education, namely, Conservation. Under this head are involved all those elements of preventable waste and loss, affecting the policyholder and company, and which come under the influence of the field representative, either in his individual or co-operative capacity, as the case may be. I refer especially to Conservation in its relationship to the laws of health, the enormous waste from lapsation and surrender of insurance, the unnecessary borrowing on policies, and the reduction of burdensome and unjust taxation. Excellent work has already been done by many of our home offices, the Presidents' Association and the Insurance Commissioners' Convention, on the conservation of health, but much additional can be done by the local associations throughout the country to aid in this most important line of activity. The lapsation and surrender of insurance constitutes an appalling waste, much of which could be saved through the medium of systematic effort and education of the public, as previously outlined. The greatest contributing factor to this enormous loss and waste is undoubtedly the securing of loans on policies, 94 per cent. of which is never paid back prior to the maturity of the policy or its surrender, which, in nine cases out of ten, is caused by the outstanding loan, resulting in decreased protection and increased cost in proportion to the interest paid. Gentlemen, discourage in every possible manner the policy loan. Don't hold it out as a liberality of policy contract and an inducement to the pros-

pective applicant, for if you do, he is very sure to avail himself of the privilege in due time.

In view of the constant increase of taxation against the premium income of our life insurance companies, by the several States and Federal Government, the question of the National Association of Life Underwriters using its influence and good offices toward bringing about a relief from this intolerable condition was formally presented to the Atlantic City convention by Vice-President Edward A. Woods, in the form of a resolution that life underwriters everywhere be urged to acquaint themselves with the inequity and iniquity of this governmental burden, and upon all proper occasions to denounce this wrong taxation policy of State and government, and aid company officials in every way in opposing it; that the one hundred thousand life underwriters in this country assume as their special duty the awakening of public sentiment not only against the increase of this burden, but for its decrease; that committees by both the National and local associations be created to resist—and if possible secure—a decrease of this unjust burden to policyholders.

It is the intention of this administration, in connection with the proposed campaign of education and conservation, to give such publicity to this important question for the benefits of the insuring public that policyholders and legislators throughout the United States may be fully advised as to the extent of this State and National disgrace.

Unjust Taxation.

Elizur Wright declared that the government should as soon tax its asylums or hospitals as to seek gain from the deposits which foresight and affection had set apart for the protection of thousands among the most helpless of its citizens. A tax on life insurance is nothing more than a tax upon widows and orphans. This declaration was made in 1867, yet the burdensome and unjust system of taxation has steadily increased from 70 cents at that time on each \$100 in premium, to over \$2 for \$100, amounting in 1912 to more than \$12,000,000 by the several States and Federal government.

As was stated by Vice-President Woods, in his discussion of the question, this taxation would provide over \$500,000,000 additional insurance, increase the refunds of the companies over 15 per cent., pay all executive salaries several times over, or reduce expenses about 8 per cent.

The German government, notwithstanding its great demands for revenue through the medium of taxation, with limited sources, compared with the vast and legitimate sources in this country, exacts a tax of less than one-fourth of 1 per cent. on the premium income of its life insurance companies, or less than one-eighth of the percentage imposed by our State and Federal government, and as an offset contributes approximately \$12,000,000 per annum toward compulsory life insurance, or about thirty-six times as much as the revenue received by the government from the companies through the medium of taxation.

Life Insurance and the State.

The importance of life insurance to the State is also recognized by England, to the extent of exempting from income taxation what a man pays for life insurance, up to one-sixth of his income, taxing the man who does not carry life insurance, on his *entire* income.

While the questions of education, conservation and taxation have been discussed by me in this address under separate headings, the taxation problem is dependent on education for its solution, as the education of the insuring public and our lawmakers to the injustice of this iniquity means a reduction and possible elimination of oppressive taxation, and the ultimate conservation of millions of dollars for the benefit and use of policyholders in furnishing hundreds of millions of additional insurance for their dependent ones.

Having dwelt at considerable length on this new era of progress and opportunity which lies before the Life Under-

writers' Association, I do not wish to overlook or minimize the other important questions which have been so successfully handled by former administrations, and are yet live issues with us.

It is my very great desire to see the extension movement continued, and local memberships enlarged, in order that the influence of the National Association may reach every agent in this country, and especially do I wish to recommend that, wherever practicable, all associations throughout the United States take advantage of the amendment to the constitution which was made at Atlantic City, providing for a non-resident membership, with minimum dues of \$1, in order that the agents of smaller cities and towns and the country districts may be brought under the influence of the local associations, and also receive **LIFE ASSOCIATION NEWS**, the official organ of this national body, and be kept in touch with its beneficent influences and educational program.

I wish to commend and urge a continuance of the Association Club idea, which was inaugurated by former President Sills and Vice-President Lewis, of Rochester, N. Y., as this plan undoubtedly stimulated the attendance at Atlantic City, and brought to the convention many of our representatives throughout the country who otherwise would probably not have been present.

In conclusion, I want to ask, on behalf of the officers, executive council and committees, especially the Committees on Education and Conservation and Taxation, the earnest co-operation of every local association throughout the United States, for, gentlemen, it is only through your efficiency and unqualified support that these respective lines of work and influence can be accomplished.

Course of Study on Life Insurance in the University of Cincinnati.

The University of Cincinnati has arranged for a course of lectures on life insurance, and the first lecture was delivered on Sept. 30 by Frederick L. Hoffman, statistician of the Prudential, on the subject of "History of Life Insurance" W. A. R. Bruehl, Jr., who until recently was secretary of the Cincinnati association, is largely responsible for this course. Mr. Bruehl is an alumnus of the university, and in arranging for the course secured the consent of several prominent life insurance men to deliver lectures. On the day of the evening on which the lectures will be given the speakers will also be invited to address the Cincinnati association.

The following is a schedule of the course:

1913

Sept. 30.—History of Life Insurance.

Oct. 21.—Principles and Theory of Life Insurance.

Nov. 11.—Economic Value of Life Insurance.

(a) With Relation to the Family.

(b) With Relation to the State.

Dec. 9.—Calculation of the Premium.

(a) Varieties of Life Insurance Policy Forms.

(b) Relative Merits of Each.

1914.

Jan. 13.—Life Insurance.

(a) As a Protection.

(b) As an Investment.

Feb. 10.—Organization and Administration.

(a) Problems of the Executive.

(b) State Laws.

(c) Taxation.

March 2.—Medical Selection.

March 31.—Legal Phases of Life Insurance.

April 21.—Conservation as Applied to Life Insurance.

May 12.—The Field and the Agent.

(a) Possibilities of the Field.

(b) Increasing Responsibilities of the Agent.

(c) The Demand for College Bred Men in the Life Insurance Business.

LIFE INSURANCE AND THE HIGHER LIFE.

"Individual Responsibility" Considered in a Threefold Aspect; in General Nature, as It Applies to Work of Life Underwriters and in Its High Moral Import.

By Bernard R. Rose, General Agent, Northwestern Mutual Life Insurance Company, New York City. Paper Delivered at Atlantic City Convention.

"Individual responsibility" expresses the one indispensable condition of success of the life underwriters' movement, as it also is at the basis of success of every movement and of every institution wherever human beings undertake to co-operate for their mutual interest and benefit. This holds good all along the line, from the world empire down to a business partnership of but two individuals.

Everyone will admit the truth of this as a general proposition, but in considering the subject of "Individual Responsibility of Membership" in life underwriters' associations, it is, of course, desirable to be a little more specific, and to give an interpretation of the particular responsibilities the individual member should live up to. Surely this must have reference to nothing less than the most vital principle which life insurance stands for.

Mind you, I am saying "vital principle," and not merely "what life insurance is and does." This latter subject is often discussed in great detail and in an interesting manner in the press, on the platform and in company leaflets. But for our present purpose we must go deeper, we must search for the very soul of life insurance, we must try to find some idea which will comprehend in synthetic form the high mission which life insurance is to fulfil; because surely that is what the individual life underwriter is expected to live up to if he is to prove true to the life underwriters' movement and to the cause of life insurance generally.

The Deeper Significance.

Now, what is the deeper significance of the tremendous strides which the life insurance idea has made and the great hold it has secured on the public mind in such a comparatively short time? Undoubtedly there is some great natural law at work here. Although I feel utterly unequal to the task of adequately expressing what is in my mind on this subject, I shall try to formulate it in words as best I know how: It is well known that nature provides a remedy for every ill, and it is generally conceded that the greatest evil of our time is a too great love of money, an excessive striving after the material things of life. This great besetting sin permeates all grades of society, in practically every so-called civilized country on the globe.

Now, in the development of life insurance we behold the beginnings of a new tendency or force, which is destined ultimately to supply man's material needs on a rational and sure basis of mutual co-operation, thereby liberating his energies for the development of his higher nature, which higher and better nature always impels man to seek for his happiness not in self-indulgence, nor in the heaping up of material things, but in unselfish service to mankind.

A Spiritual Force.

Considered in this light, life insurance becomes a great spiritual force, instead of being merely a potent economic factor; viewed in this new light, we can clearly see that life insurance promises to do more for the real advancement of our race than any experiment, whether political, social or religious, of which history has left us a record. Do I hear someone say that it is blasphemy to class an economic movement such as life insurance with religion? I answer: Some very wise men assure us that the great religions themselves were, at their inception, merely economic movements. The Jewish religion, of course, had its origin in a movement for freeing the Hebrew people from bodily slavery; and many authorities assert that Christianity, in the beginning, was merely a protest against the economic conditions of the time.

But if such a forecast of what life insurance is destined to accomplish for mankind be even within the range or mere possibility, does it not follow that we should devote our-

selves to our work not only with the greatest concentration, but with genuine consecration? It is true that some life insurance men are imbued with this missionary spirit of single-minded and consecrated devotion, but, unfortunately, many are not. And then, how about the part-time man? How long will he be permitted to drag this noble calling down to the level of the street huckster? How long will he be allowed to interfere with the work of the regular agent, thereby greatly retarding the fuller development of this great spiritual force?

Part-Time Men.

We like to talk about life insurance being a profession, but in what other profession do part-time men flourish? Just imagine a state of affairs where practically anyone may assume the role of a medical practitioner on merely securing a license from some State department, and then continue to devote himself to his old vocation, whatever that might be, giving to his new "profession" only such dregs of his time and attention as he may choose, or possibly none at all. How long do you think the self-respecting members of the medical profession would tolerate such a condition? Evidences multiply that the part-time man, this survival of the "dark ages" in life insurance, must go, and that very soon. The only question is whether we will get rid of him ourselves, by each man, at the home office and in the field, living up to his "individual responsibility," or whether we shall have to experience the great humiliation of having this long overdue reform forced upon us from without.

The elimination of the part-time man must precede the settlement of many other important questions in our business, every one of them also primarily a matter of "individual responsibility."

But more important than all other considerations is the deep moral significance of this question of "individual responsibility." These words imply a condition which flows out of the great human quality called "free will," because only where there is freedom of choice can there be individual responsibility. No one would, for example, say of the ox or the camel that they have individual responsibility. It is therefore quite clear that individual responsibility expresses not only a duty, an obligation, but a great privilege, the greatest of all human privileges. It expresses the divine quality in man by virtue of which he is capable of original action not suggested, either directly or remotely, by the mere instincts or appetites. This being the case, may we not ask of the man who fails to live up to his individual responsibility, "To what purpose are you a man at all?"

The Soul of Life Insurance.

But if it is our imperative duty by the very necessity of our higher human nature to live up to our individual responsibility, not merely in the conventional sense, but with reference to the very soul of life insurance, it becomes a vital question, "Where shall we find the soul of life insurance?" No one can discover it for us. We cannot find it described in text books. There is only one place where we must look for it. We must find it in our hearts and in our lives. If we have God in our hearts, we possess the "soul of life insurance," because we are then able to catch the vision of His great plan for the march of mankind "onward and upward forever," in which plan life insurance is to play, indeed, is already beginning to play, such an important part.

Someone will perhaps interpose and say that it is all very well to theorize and philosophize in this manner, but that it is not easy to live up to such a high standard. My all-sufficient answer to this is, that nothing worth while is easy. It is always hard to pursue one's ideals; but nothing in this life is more worth while or brings greater joy or more genuine satisfaction. The successful pursuit of ideals is hard because the mass of mankind still lives "by bread alone," and I have just shown that it is this very condition life insurance is intended to remedy. This necessarily makes our business a most ideal one, and should be pursued in an ideal manner. Shall we then not teach the great doctrine which life insurance enforces by the example of our lives as

well as by the precept of our daily labor? And if we do pursue our calling in this spirit, sincerely and whole-heartedly, our ideals are sure to win out. In the words of the great German poet-philosopher, Goethe:

"When the crowd sways, unbelieving,
Show the daring will that warms!
He is crowned with all achieving,
Who perceives and then performs."

YOU'RE AS GOOD AS THE NEXT MAN.

Concentrated Optimism for the Man Sailing Under
the Blue Banner.

By Robert J. Mix, Manager, Prudential Insurance Co., New York City.

It's one of the most important moments in a man's life when he realizes—suddenly, perhaps—that he's as good as the next man! I know that you will not misunderstand me when I say that. Everybody detests a conceited man or one who is overly impressed with the idea of his own importance and ability, but, by the same token, it's almost, if not quite, as great a mistake for a fellow to underestimate his own ability!

Modesty is an excellent quality—a most admirable one—but a man may be so modest and so skeptical as to his own powers and ability that he fails utterly to accomplish what he should in his journey through this world! You're as good as the next man in the sense that no man may forbid you the right to choose your vocation—to labor as hard as you please in that vocation—to develop your intellect as far as you like—to aim as high as you please and to enjoy the fruits of your toil!

In these wonderfully important particulars you're the equal of any man! Possibly you may not consider yourself as "good" in a moral sense as some others whom you may know, but your right to recognition as an individual—your right to that glorious possession—opportunity—is as great as any man's! If you keep yourself physically and morally clean, and if you're trying to make the best out of your God-given powers, you're not to be looked down upon by anybody!

As I remarked in one of my paper talks with you, it's splendid to know that you dominate yourself and can, in a large measure, direct your own energies and make of yourself what you will! It's splendid to be alive and to do as you please with every new day as it comes along! It's great, my brother life insurance man, to be occupied in a vocation which is as clean and helpful and elevating as ours, and it's a wonderfully inspiring moment in our lives when we realize that all these things are true! Such a consciousness never comes to many men. Has it ever come to you? Are you inclined to underrate your individual ability and your individual opportunity?

You hear of men who are doing great things in our calling. How does it affect you when such stories come to your ears? Do you promptly take the position that such feats are beyond you or are you wise enough to take the only right course and say to yourself, "That fellow's opportunity is no better than mine, he has no better brains than I and, if I avail myself of my opportunity and use my brains, I can do just as great things as he has done!" What wonderful results have been accomplished in this world, my friends, by men who made such a little speech as that to themselves!

You cannot become conscious of the fact that you're a better man than you thought you were without being wonderfully stimulated thereby! You're immediately affected for good, your ambition awakes, and, when a legitimate "ambition" is aroused, there follow increased effort, increased results, increased rewards! I tell you, friend, you're just as good a man as Jones or Brown or Robinson! Don't permit yourself to think otherwise—don't let any one else persuade you to think otherwise! Quit being satisfied to fill a little place in your calling. Expend the same effort and make the same sacrifices that Jones and Brown and Robinson do and you'll find yourself in their class, where you belong!

OFFICIAL NOTICE

Atlanta, Ga.,
Oct. 10, 1913.

To the Local Associations
of Life Underwriters:

You will find elsewhere in this issue of the News a complete list of the various committees of the National association appointed for the ensuing year. The selection has been carefully made, with special reference to the peculiar fitness of the members for the particular duties assigned to them.

At this time I desire to direct your attention to the work of the press committee, of which Charles W. Scovel, of Pittsburgh, is chairman. It is the purpose of this committee to enlist (more generally than heretofore) the interest of the local associations in securing publicity for news matter relating to life insurance.

To this end I would request each local association to appoint as a press committee two or three members experienced in newspaper work and otherwise fitted for this line of service. These appointments should be made at once, so that the good results of their efforts will be felt as soon as possible.

The special duty of these committees should be to keep the public regularly informed through the papers of all matters of general concern which transpire at the meetings of the associations. They should also from time to time furnish fresh news items which illustrate the benefits of life insurance in some of its many phases.

To secure the proper handling of this matter by the papers, it will be necessary for the press committees to first get in close touch with the local editors. This can be done by explaining fully to them the interest of the public in live news of this kind.

Let me urge local associations to promptly avail themselves of this simple but effective method of reaching the public with such information as will give them a better understanding of the beneficent character of our work. The good results will be reflected in the larger writing of new business and in the better persistency of that already on our books.

For further information write to Mr. Scovel, who has had valuable experience along this line, and who, I am sure, will be pleased to advise you.

HUGH M. WILLET,
Chairman Executive Committee.

THE EDUCATION AND CONSERVATION MOVEMENT.

**Warren M. Horner, Chairman of Committee in Charge
of This Phase of Association Work, Sketches
Necessity of Popular Knowledge of Life
Insurance and Benefits Which
Will Accrue Thereby.**

*Mr. Horner Delivered This Address at the Inaugural Meeting of the
Pittsburgh Association, October 6, 1913.*

The Education and Conservation Committee desires to respectfully recommend to the Executive Council the following:

First.—That all members of the association individually, and the officers in particular, consider themselves especially drafted to aid and promote the work of education in life insurance in public schools and other educational institutions of the country.

Second.—That this committee be authorized to proceed under the control of the Executive Council to have a textbook written to be used in the campaign of education.

Third.—That this committee be authorized, with the consultation and approval of leading educators, to arrange a definite program of education, or short curriculum as it were, the detail of which, when arrangements are made, to be looked after by the corresponding secretary of the National Association of Underwriters.

Individual Campaigns Discouraged.

Fourth.—That both the matter of education and the publishing of an institutional advertisement involving a series of human interest articles of fact and interest to the people, together with the raising of funds for the same, be conducted entirely for the present by the National Association of Life Underwriters, and that there be no scattering by local subsidiary campaigns, other than in co-operation with the national body, excepting such individual campaigns as may be deemed advisable by local associations as independent of and separate from the national campaign.

Fifth.—The committee further recommends the early publication of four or six of the institutional advertisements, one of which is to be upon the subject of taxation, at as early a date as is in keeping with due business procedure. This recommendation is made with great earnestness on the part of your committee because it believes that such action will properly visualize the efficiency of this whole proposition of the practical value to the people and the business of life insurance of publishing these human interest articles. Arrangements have been made to have these articles prepared without cost to this association unless they are finally made acceptable to the association. The committee is strongly imbued with the fact that the companies who have not been in favor of this proposition, and the agents who do not understand it, will, by the publication of these additional articles, have photographed upon their minds exactly what the education and conservation movement, through the institutional advertisements, intends and will accomplish.

A Preliminary Step.

Sixth.—Finally, the committee recommends that a partial call for funds be made through the local associations for the contribution of *managers* only, to defray the expenses of this initial campaign. That the companies who have already given pledges, and all other companies, be given to understand that the National Association invites their contributions and co-operation in behalf of this great work, but that a general campaign for raising funds be deferred until such time as the real merit of the idea be established and photographed upon the minds by this initial campaign. The committee is satisfied that the first call will bring sufficient funds from the managers over the United States to defray the expenses of what is contemplated in the recommendations for the present. No individual, even those who are most earnest in the support of the work of conservation and education and the most sanguine of the scope of the movement for the future, can properly visualize the value to the public and the business of these institutional advertisements until they have seen them in print,

and unless they can be so written upon the subjects of taxation, loans, surrenders, income insurance, old age insurance and business or corporation life insurance, and covering the broad economies of life insurance, they will not be published at all. This recommendation of visualizing the idea by publishing some of the articles in advance is not alone the earnest judgment of the committee, but is predicated upon the very best advice of shrewd advertisers who can have no possible interest in this campaign, directly or indirectly.

(Signed) EDWARD A. WOODS,
JULES GIRARDIN,
H. H. WARD,
L. L. HOPKINS,
W. M. HORNER.

The public mind in every walk of life is in a receptive mood toward high-class advertising. The committee during the last eleven months has very earnestly tested public opinion wherever time and opportunity would permit, and in no single exception has any thinking individual failed to endorse the idea, not just by perfunctory statements, but by a ray of light passing over his countenance when he once understood what was proposed.

Interest the People.

The committee has repeatedly, through its chairman in a personal way, made the statement that the people, the ones who paid the premiums, were the ones vitally interested in this campaign. These and other utterances on the part of the chairman of this committee were made in a personal vein because it was not deemed advisable to commit the National Association without full permission from the members of the Executive Council, and with the pioneering necessary the last association year it was utterly impractical, if any headway was to be made, to proceed by any such slow method. It is very gratifying that there has been so little criticism of this action, and what criticism has been given is cheerfully borne because the results speak for themselves.

The only purpose in referring to this matter to-night is to call attention to the fact that eleven months ago here in Pittsburgh I admonished those present at the dinner to not refer to this education and conservation matter as a personal proposition, and ended by whole-heartedly presenting the infant born at Memphis to President Sills, who so earnestly and ably fought for the advancement of the National Association during the year just passed. However, let me remind you that it was necessary to put some human interest into this campaign of human interest, and the only way you can put human interest into a thing is to put a human being into it and back of it. Somebody had to take the responsibility of being considered a fanatic and that person had to be the goat, if the life insurance agents of the country en masse did not consider what was proposed rational.

I hope the gentlemen within reach of my voice to-night give me at least credit for knowing and feeling the responsibility which was voluntarily assumed.

Executive Council to Co-operate.

With this plain statement of fact, it is my purpose when acting in the future as the chairman of this committee to be the mouthpiece of the committee under the direction and approval of the Executive Council, all of whom deserve the most heartfelt appreciation of the entire insurance fraternity over the United States for their many able and unselfish acts in promoting the cause of true life insurance.

It is my purpose to speak only in the voice of the National Association of Life Underwriters, because this movement of education and conservation in the many ramifications which it now contemplates and into which it will grow is too big and broad to be voiced by any one individual or set of individuals, and it can only be considered in its due proportion as a movement marching onward hand in hand with the whole national body.

The people and their interests have already been mentioned. Nations, political parties, one great political party of this nation, have gone to ruin because they put off the evil day, as they thought, or at least said, when they must take the

people into their confidence and work and strive conscientiously for the good of the whole people and not for any separate class.

There is a legitimate community of interest between the people, the companies and the agents in the business of life insurance. This community of interest will be cemented and promoted by the things contemplated in the education and conservation movement. It is to the interest of the people themselves and to the whole institution of insurance that we create intelligent attention upon the part of the public. Education alone is too slow. Had adequate education been indulged in beginning a generation ago, then a campaign of enlightenment through the medium of institutional advertising would not be necessary or at least as necessary as it is now.

However, we are dealing with conditions as they are, not as they might have been, and the best way to look after the public's interest and have them in a proper state of co-operation with us, is to inform them by the shortest route of the modern and practical way by publishing broadcast over the country institutional advertisements, which will convey due information of fact and interest to the people. The time to do this is to do it now, and not prolong the situation of unnecessary lack of co-operation.

Education in the public schools and other institutions of learning is all-important and will take care of the oncoming generation, but if life insurance is to be made such a smooth running organization, as to stand the test of time in its present relation to the people, it cannot sit by and merely watch the onward procession of events, and not get aboard the band wagon.

The people at large in life insurance and in other matters of great moment to them are only interested in that they get adequate and proper service in return for their money, and when once rightly imbued with this fact do not have an undue interest in the affairs of any world movement.

Why I Carry Life Insurance.

I carry life insurance because my worldly possessions are not sufficient to maintain my wife and children should I be taken from them. My wife has never had to make a living, other than to attend to her household duties, and her time is pretty much taken with them and with our children. I want our children to be good men and women, an honor to us and a credit to our country. To do this they must have education and home influence, which they could not have if they were to be separated. I want my wife to respect and remember me when I am gone, which she cannot do if I fail to provide for her. She may not be as attractive to another as a widow as she was to me in budding womanhood. I have no right to think any man would marry her, support and educate my children. A step-father makes a step-mother (and vice versa). My children are tender-hearted and would miss our caresses. I would not do anything to injure them now. Why should I in the future? Their happiness thrills me with pleasure. They are at the gate awaiting my return. If I am late they turn to their mother for comfort. When I am gone and have made no provision for them, she can have little comfort for them. "He that provideth not for his own is worse than an infidel." I am not an infidel.—*Plowman*.

Practical and Theoretical Training in Life Insurance at University of Pittsburgh.

The University of Pittsburgh has recently added a new course to its evening school in economics. Through the influence of the Pittsburgh association, practical and theoretical training has been arranged for in all branches of life insurance. Professor L. A. Flock, instructor of economics at the university, will be in charge and prominent life underwriters of Pittsburgh will deliver addresses.

AMENDMENTS TO INCOME TAX SECTION OF TARIFF BILL ASSURE A SAVING OF \$3,000,000 TO POLICYHOLDERS.

Interesting Figures Compiled by the Association of Life Insurance Presidents—Resolutions Passed at Atlantic City Convention Plays Important Part in Securing Favorable Action at Washington—Great Influence of National Association and Its Prominent Members at Crucial Moment.

From figures which have been compiled by the Association of Life Insurance Presidents, it is estimated that the income tax section of the Tariff Bill, which recently became a law, as compared with the original draft introduced on April 7, assures a saving of nearly \$3,000,000 a year to life insurance policyholders through company transactions, while an additional amount that cannot be estimated is saved to many of them or their beneficiaries in connection with paying taxes on their personal estates.

The original draft of the bill contained much ambiguous language which life insurance men feared might be interpreted against the interest of companies and their policyholders. One very important point raised was whether the phraseology of the measure might not result in taxing as "net income" of companies the annual net addition to reserves. The Corporation Tax Act of 1909, which the new Tariff Law supersedes, specifically exempted this item. On the basis of business done in 1912, the tax to all life companies on this item would have amounted to \$2,195,000, and it would have been larger each succeeding year. When the situation was pointed out to the leaders at Washington, they disavowed any intention of taxing this item and agreed to an amendment clarifying the phraseology beyond any question.

An Immense Saving.

The exemption of the returned premium portion of dividends, granted during the last days of the bill and nearly six months after the life insurance men began their campaign, means a saving, roughly estimated, of about \$700,000 on the business of 1911. These two items make a total of \$2,895,000. Based on the business of the present year, they probably would total \$3,000,000.

In addition to these and various other items involving life insurance policyholders in their company relation, there were important changes made in connection with their reporting of income as individuals or by such reporting on the part of their beneficiaries. The phraseology of that part of the first draft of the bill relating to the reporting of income by individuals, immediately raised the question in the minds of insurance men as to whether it might not be interpreted as taxing proceeds of life insurance policies as income. Arguments for amendments were made and the language was improved from time to time until the following was adopted, providing that practically no life insurance returns in the hands of policyholders or beneficiaries shall be included as income for taxation:

Not Included as Income.

"Provided, that the proceeds of life insurance policies paid upon the death of the person insured or payments made by or credited to the insured, on life insurance, endowment or annuity contracts, upon the return thereof to the insured at the maturity of the term mentioned in the contract, or upon surrender of contract, shall not be included as income."

On the business of 1912, returns described in the above paragraph were as follows:

Death claims	\$205,154,837
Endowments	55,712,220
Annuities	7,767,337
Surrender values	87,338,216
Dividends to policyholders	92,795,105

Total paid policyholders and beneficiaries. \$448,817,715

No figures are available for estimating what the clearing up of this provision has saved policyholders and beneficiaries, for, of course, the provision would have applied only to those whose entire income is taxable under the law, namely, unmarried persons receiving in excess of \$3,000 a year and married persons receiving in excess of \$4,000 a year.

The amendment itself, which became law when the Tariff Bill was signed by President Wilson, is as follows:

"Life insurance companies shall not include as income in any year such portion of any actual premium received from any individual policyholder as shall have been paid back or credited to such individual policyholder, or treated as an abatement of premium of such individual policyholder, within a year.

The victory for the policyholders, after a full discussion during a period of months, should give us not only great cause for congratulation, but courage to take up the broader campaign against future increases of taxation and for decreases of present.

In a movement in which so many persons were interested throughout the entire country, it is difficult to apportion to each his proper share of credit. Many of the executives of our companies did heroic work, devoting their principal attention to this all-important matter from the time the Income Tax Bill was introduced until it was passed. The Association of Life Insurance Presidents, with Robert Lynn Cox, was assiduous in its attention; as well as the American Life Convention, scores of thousands of policyholders, and others.

Some Friends at Washington.

Life insurance had some good friends both in the House and Senate, and perhaps its best friend in the Presidential chair. President Wilson, in a public utterance, has said that he believed in so following the English practise as to exempt from the income tax that amount paid for life insurance up to \$500; and this broad policy shows an appreciation of the value of insurance that has never yet been shown by legislative bodies in this country.

But it is proper for LIFE ASSOCIATION NEWS to speak particularly of the work of agents. So many agents, with so many Congressmen, Senators, public men and policyholders of influence, did such efficient work that it is difficult to particularize. The Law and Legislation Committee, under Mr. John Dolph, with headquarters at Washington, gave much attention to the work. Using life insurance agents, many of whom—although from fields far distant from the companies' headquarters—had great political influence with particular and often influential legislators, showed the potent force that could be employed, and should be employed hereafter far more effectively.

The "Wall Street" Attitude.

It is recognized by all those who are on the inside of affairs at Washington that executives, however able, often did not receive from members of Congress the consideration to which they were entitled. The attitude toward "Wall Street" seemed to extend to the officers and even still more to the paid attorneys of the great life insurance companies. A signal illustration of this was the side-tracking of such an able man as Drawin P. Kingsley by the Senate Committee, when at the hearing Senator Sharp Williams, of Mississippi, consumed a large part of the precious time on the threadbare and ten or twenty year old subject of campaign contributions—made by a Democratic President—and in trying to prove that because he (Senator Williams) did not get back all he paid in from a three year old policy, the company must have made the difference and not be mutual.

It was noticeable how in all powerful circles the life insurance agent was recognized as really representing his clients and having a potent influence, often companies representing powerful constituents of the Congressmen and Senators having influence. What effect Edward A. Woods and Lawrence C. Woods had in the hearing given to them by the President and the brief submitted by them the week the bill passed the

House, cannot be stated; but the fact remains that three important amendments to the bill—viz.: striking out the words "or return of premiums;" exempting surrendered policies and death claims—were made to the bill that very week, notwithstanding that it passed within a few days after that interview.

It is claimed on good authority that the only hearing given to life insurance by President Wilson was therefore to these two agents.

After the bill left the House, of course, such important members as Judge Hull still had a potent influence in shaping it; and Judge Hull was a frequent correspondent with, and an attentive listener to, many field men, including Reau E. Folk, of Nashville; Lawrence C. Woods and a great many others. It will probably never be known how many life men from all over the country exercised, sometimes a very quiet but a very powerful influence with one legislator or Democrat—or a Senator who was not approached and more or less educated by some active field man. The combined influence of this cannot be estimated and will probably never be known. The Senate Finance Committee, particularly Senators Shively, Williams and Gore, was interviewed and corresponded with by many field men; and towards the last, that astute politician, Henry J. Powell, knowing not only Senator James, but other men of importance, was most helpful in Washington.

Great Influence of National Association.

Competent authorities feel that the telegram sent by the National Association of Life Underwriters to every member of the Conference Committee, House and Senate, Republican and Democrat, and to the President, following up the telegram by a letter signed by the President and Secretary of the National Association while the Conference Committee was finally considering the amendment of the bill exempting refunds from taxation, had a great influence.

Certainly the fact that rarely, if ever, in the country's history a Conference Committee took up something that was not a point of difference between the House and Senate bills and amended it, exempting dividends, and without objection or point of order raised in either House, is a proof of the justice of our cause and its clients before this high tribunal.

The magnificent apostrophe to life insurance from Senator Sherman is alone worth all the effort of insurance men to have the cause of their policyholders placed fairly before Congress.

Irrespective of the rights of the case, in which agents were strongly entrenched, and of their earnestness and zeal for their policyholders, there was the politics of the situation. Politicians are human; members of Congress are astute, shrewd men politically. No long argument was required to suggest the bad politics of forcing one or two hundred thousand active life insurance men, in their daily canvass among 25,000,000 policyholders, to explain that the increased cost of insurance was due to Congress and this Administration.

A Potent Argument.

The program of the present Administration calls for decrease in the cost of it. To increase cost in so valuable and vital a thing as life insurance was not a pleasant thing for public men to consider, especially when it affected enough voters to sweep any party from power. The blame placed where it belonged by thousands of active, energetic agents, talking to their own clients in each Congressman's district, was potent. It was far greater, probably, than the fear of officers' public utterances or even circulars to policyholders. Even in State campaigns, every experienced person knows that an argument by an outsider, however able, has nothing like the influence that an argument has direct from one of the legislators' own constituents.

The just vindication of the policyholders' cause largely through the efforts of agents among others should give us great encouragement to proceed further. We should resist

(Continued on page 13.)

Pife Association News

A MONTHLY JOURNAL DEVOTED TO THE INTERESTS OF ALL
LIFE INSURANCE AGENTS.

PUBLISHED BY THE

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"The object of this association shall be to advance the best interests of the cause of true life insurance."

Address all communications to

EVERETT M. ENSIGN, Editor and Manager.

Telephone, 4244 John.

LIFE ASSOCIATION NEWS, 56 Pine Street, New York City.

This newspaper is owned by the National Association of Life Underwriters, unincorporated, a voluntary association; Neil D. Sills, president, 817 Mutual Bldg., Richmond, Va.; Bolling Sibley, secretary, Central Bank Bldg., Memphis, Tenn.; E. D. Weeks, treasurer, 49 Pearl street, Hartford, Conn.

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THE PLATFORM FOR THE YEAR.

The first official address of National President Ernest Judson Clark was made in Pittsburgh, on the 6th of this month, before the Pittsburgh association. The full text of Mr. Clark's address will be found elsewhere in this number.

By long usage a new president's speech at the annual reception of the national officers by the Pittsburgh association, is regarded as his inaugural and his utterances on that occasion are considered as announcements of the policy of his administration, in the same fashion as are regarded the pronouncements of a President of the United States at his formal inauguration. It should be gratifying therefore to all members of the National Association to mark in Mr. Clark's Pittsburgh address his entire sympathy with and belief in the three great problems to which the National Association pledged support at the Atlantic City Convention.

Succinctly stated, the policy of President Clark's administration will embrace an advocacy of a high degree of professionalism and the elimination of part-time men in all metropolitan agencies or large centers; a thorough training and education of agents, and careful attention to serving the best interests of the policyholders. Education and conservation and the taxation problem will naturally be the subjects which will stand out most prominently, but in whatever direction association activities may be directed in the solution of these question, all steps taken will be guided by a hand of long experience in association matters.

Through the amplification of the ideas to embrace within the membership of local associations those agents working in outside or country territory, it is now possible for every life insurance agent in the country, who will subscribe to the ethics of the association movement, to become affiliated with the National body and to receive each month LIFE ASSOCIATION NEWS. That this is feasible is being demonstrated in a most practical manner by several of the local associations in the Northwest. With over 100,000 agents scattered over the country, the possibilities of a greatly increased membership will not be overlooked and it is evident that Mr. Clark intends to give this phase of the work much attention.

Unfortunately there seems to be an undercurrent of opinion from certain quarters that the National Association, in the working out of the education and conservation campaign and in the agitation of the taxation matter, intends to overstep its limitations and impinge upon the prerogatives of other organizations. It has been implied that the National Association, fatuously elated with its progress during the last few years, shows a disposition to arrogate to itself credit for which it is not justly entitled; that there is

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at the present time just a slight suspicion of a chip-on-the-shoulder attitude.

Nothing could be more distantly removed from the actual facts, and, above all, there will be no attempt made to play politics, in the general understanding of that term. Safe, sanely progressive, but at the same time judiciously conservative, are the underlying principles of the present administration. Indeed, those who are most familiar with Mr. Clark, recognize in him the very qualities which will be necessary to tactfully modify the opinions of the fanatic and to weld together into rational and effective action the many conflicting views of strong personalities. In the mental chamber of the National President hangs the adage, always to be seen: "Be sure you're right, then go ahead."

Education, which perhaps should be termed the keynote of the present administration, precludes the circuitous methods, employed in playing politics. When reforms are advocated appeal will be made direct to the people. It must have occurred to every agent, and it must be apparent to every individual interested in the amendments to the Income Tax Section of the Tariff Bill, that much of the legislation embarrassing to the institution of Life Insurance, has been the outcome primarily of ignorance on the part of the people who elect legislators. The public at large does not know what a tremendous factor in business prosperity life insurance is, and the average legislator is peculiarly obtuse as to who and what he was striking at when he struck at Life Insurance.

As matters now stand it would seem that there would never be a superabundance of popular knowledge of Life Insurance, either with regard to the question of taxation and other forms of inimical legislation or in connection life insurance as related to the home and family. That the National Association at its Atlantic City Convention advocated a campaign of popular education and that President Clark in his inaugural address reiterated its necessity, should not be criticized on the grounds that the public might become too well informed.

This latter condition would be an impossibility. Life insurance has nothing to conceal and as an institution it needs no apologist; its future success, as well as the future success of its representatives, depends upon the simple proposition of telling ALL, to ALL the people, ALWAYS and ALL the time.

Amendments to Income Tax Section of Tariff Bill.

(Continued from page 11.)

State taxation and create such a public sentiment as will ultimately make it not only impossible to increase State and Federal taxation, but to have onerous, burdensome, annoying and often conflicting laws amended. It should cause life underwriters to feel the deepest sense of responsibility to their clients. There should be such an organized effort on the part of underwriters throughout the country as to make it just as impossible to have legislatures tax life insurance companies as the United Workmen or the Woodmen of the World.

Many of these fraternal orders openly boast of their political power, and it is a fact that no legislature and no Federal bill dare even propose tax upon them. It is humiliating to think that the far greater latent power and responsibility of life underwriters has so long remained dormant. There is no other body that represents all companies—new and old, mutual and stock, large and small, from all sections of the country. Indeed, during the recent campaign at Washington, one of the humiliating spectacles was the conflicting efforts of companies working against each other; bewildering legislators, who frankly said some companies asked them to do one thing and some another until between the two they did not know what to do.

In many cases companies deliberately proposed to be exempted themselves from certain phases of taxation, while openly or tacitly encouraging the taxing of others. Life underwriters cannot, as an association, do this. They must work for the exemption of policyholders of all companies, from all sections, of all kinds, whether stock or mutual. Indeed, it was the conflict between the interests of stock and mutual companies that imperiled dividend exemptions; many mutual companies being either tacitly or openly willing to be exempted themselves if the stock companies were taxed, and the stock companies naturally, even if selfishly, insisting that if they were taxed, mutual companies should be too. No national association or no local body of insurance men could take this position; and this, in itself, is a source of great strength, in that our battle must be the cause of all policyholders.

Why Some Men Fail.

With rare exception every man is underinsured; yet fully 80 per cent. of the men approached for life insurance and in actual need of the protection will offer one kind of an excuse or another to escape the persuasive arguments of the interviewer. However, these men eventually buy and having bought become satisfied and persistent policyholders.

Perhaps the most fatal mistake made by men entering the business of selling life insurance is that they are too ready to take *no* for an answer. They do not drill themselves to expect this *no* and are not ready to meet it.

"Can't afford it," "Too busy," "Carrying too much now," all are knock-out drops for the beginner.

A very successful and experienced life insurance solicitor once stated that he never expected anything but discouragement when he approached men for life insurance. Yet this same man has the reputation of writing, on the first or second interview, a very large percentage of his prospects.

Life insurance selling is a game of the mind; yours against the other fellow's, and if you carry away his application after receiving a decisive "*no*," you win.—R. W. Stevens.

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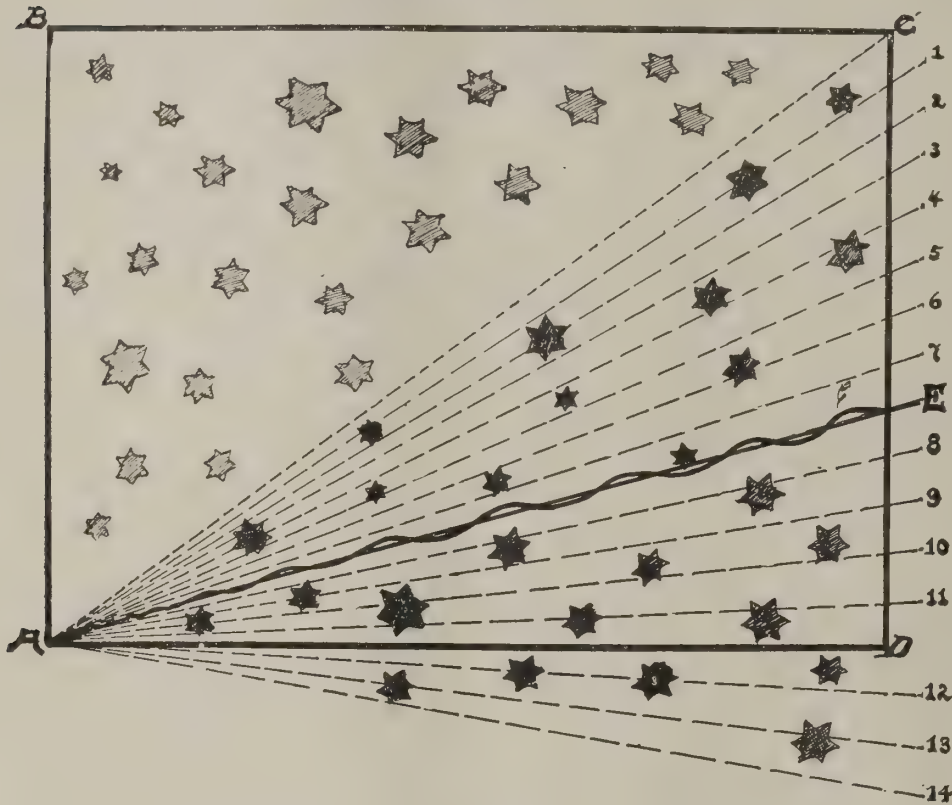
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THIS EFFICIENCY DIAGRAM IS CONSTRUCTED ON THE THEORY THAT AN INDIVIDUAL'S EFFORT FOR SUCCESS SHOULD BE DOMINATED BY THE IDEA THAT A STRAIGHT LINE IS THE SHORTEST DISTANCE BETWEEN TWO POINTS



Point E is an individual's visualized ambition.

The straight line A-E is the visualized course that this individual must hold in mind.

The curved line is the general course that a successful individual will travel who keeps in mind the visualized point and indulges in directly applied energy, remembering that a straight line is the shortest distance between two points.

A, B, C and D represent the scope of an individual's efforts, practical and otherwise, between just existing, A to D, and rising to maximum capacity, A and C.

C is the highest point of accomplishment that a given individual can attain.

The dotted lines above E represent the actual course of a successful career of one who keeps in mind point E, and works in accordance with curved line A and E.

Of course, the curved line A and E with the successful individual actually becomes a curved line to follow the course of one of the dotted lines above E or A-7, 6, etc., to assumed maximum, A and C.

Dotted lines below E, and between E and D, represent a lessening of vigilance and efficiency. A and D is just keeping one's head above water.

Below D is failure, and point 14 total failure.

A, B and C is the forbidden zone.

The stars represent points of contact of an individual when he is working inefficiently or in an impractical way. Stars in the forbidden zone, bounded by A, B and C, represent points of contact of an individual where he is wasting his energy entirely because of being outside his sphere as a means to the end to be accomplished.

The purpose of this diagram is to convey the idea that so many people are constantly working in the zone A, B and C, and represented by the stars therein, working out of their element, indulging in impractical and visionary things in their daily work.

An important lesson to be learned from the diagram is that an individual will always reach a higher goal than the objective, provided he work constantly for an objective and indulge in directly applied energy, eliminating wasteful and impractical endeavor.

By Warren M. Horner, General Agent, Provident Life & Trust Co., Minneapolis, Minn.

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I. LAYTON REGISTER PASSES AWAY.

A Former President of the National Association and a Veteran in the Movement.

I. Layton Register, who was president of the National Association for the association year of 1900-1901, and a general agent of the Equitable Life Assurance Society of New York, died suddenly of heart disease at his home at Ardmore, Pa., on Monday afternoon, Sept. 29. Mr. Register was 71 years of age. He was one of the most prominent life underwriters in the country and was the oldest General Agent in the employ of the Equitable, having been appointed its Philadelphia agent in 1863, just four years after the company was established.

Mr. Register had always been actively identified with the Philadelphia association and was one of its founders. He was born in Newcastle, Del., April 3, 1842. Early in life he became a solicitor of the Mutual Life in Philadelphia, and after two years' service he then became connected with the Equitable. He was one of the prominent directors of the Bank of Commerce and of the United Security Trust Company, and at different times served as president of the Sons of Delaware.

He was a member of the Union League. He was an elder of the Second Presbyterian Church, a thirty-second degree Mason; past master, Lodge No. 51, F. & A. M., and past grand commander of the Cyrene Commandery, Knights Templar, Camden, N. J.

He is survived by a widow, who was Miss Emma Volmer; three sons and a daughter, the wife of Matthew Baird, Jr.

Among the Associations

NOTICE TO SECRETARIES.

Every secretary of a local association should send to us, as far in advance as possible, notice of the date of the next meeting of his association and the program. But do not wait for all details if doing so will cause such delay that the notice cannot reach this office by the eighth of the month. A brief notice is better than none, but the fuller the better. Directly after each meeting send an account of the business transacted and the occurrences at the banquet, including, whenever possible, copies of all speeches or extracts from the most important of them.

Baltimore.

Many of the most prominent life insurance men of Baltimore and other cities of the East gathered in the largest hall of the Merchants' Club on East German street on the evening of Oct. 4 to pay a brilliant and an eloquent tribute to National President Ernest Judson Clark.

The banquet room was transformed into a place of beauty and fragrance by decorators and florists. Marcellus H. Goodrich, chairman of the executive committee of the Baltimore association, was the toastmaster. After recounting the achievements of Mr. Clark he introduced Adjutant-General J. Kemp Bartlett, vice-president of the United States Fidelity and Guaranty Company, as the personal and official representative of Governor Goldsborough. After conveying the deep appreciation which the Governor feels for Mr. Clark having honored the State of Maryland by being worthy of so high an office, General Bartlett spoke briefly against the

tax of 2 per cent., which the State levies on insurance premiums, urging the insurance men to work for its repeal.

The Mayor's secretary, Robert E. Lee, spoke as the representative of Mayor Preston, who was in Chestertown.

Rev. Dr. Charles Hastings Dodd, of Philadelphia, former pastor of the Eutaw Street Baptist Church, was the next speaker. He spoke of his intimate association with Mr. Clark, in his position as a member and a trustee of the Eutaw Street Baptist Church. Following Dr. Dodd, Roland O. Lamb, of Boston, Mass., president of the John Hancock Mutual Life Insurance Company, told of the rise of Mr. Clark in the employ of the company, and of the high esteem in which the company holds him.

Rev. Dr. Polemus H. Swift, pastor of the Madison Avenue Methodist Episcopal Church, then made a strong plea for character, finding in the object of the gathering's honor a model of character.

He closed with an eloquent plea for a single standard of morals for men and women on the grounds that no man of character would ever ask for any exemption for himself.

Jonathan K. Taylor, local manager of the Provident Life and Trust Company, presented Mr. Clark with a large bouquet of roses, each blossom representing a member of the local association.

"I present this bouquet to you, Mr. Clark, and through you to your wife," he said, "realizing that whatever prosperity and happiness have come to you have come through the love and companionship of your wife and children. Our inspiration as insurance men is to take care of such as they."

Short responses were then made by Thomas H. Bowles, chairman of the board of directors of the Baltimore Trust Company and ex-president of the National Association of Life Underwriters; John Dolph, of Washington, D. C., another former president of the national organization, and Neil D. Sills, of Richmond, Va., another former president.

Mr. Clark himself was the last speaker. As he arose to speak the entire assemblage was on its feet, singing the last verse of "Maryland, My Maryland." He first expressed his deep appreciation of and gratitude for the wonderful tribute that had been paid to him. Then he outlined briefly what he and the men who will administer the affairs of the national organization with him hope to accomplish.

Cincinnati.

The regular monthly meeting of the Cincinnati association was held on Sept. 30 at the Business Men's Club. The speakers were Frederick L. Hoffman, statistician of the Prudential Insurance Co., and Professor F. C. Hicks, dean of College of Commerce of University of Cincinnati.

W. A. R. Bruehl, Jr., was elected secretary in place of Ralph Bloom, who recently retired from the insurance business.

Mr. Hoffman spoke on "Training and Retaining Agents." In taking up the matter of conservation, he referred to the great waste of agents who after once starting in to solicit insurance became discouraged and went in to some other line of business. Mr. Hoffman claimed that even a plumber or a bricklayer had to be trained before he was allowed to take up his trade, but in the life insurance profession a man is given a rate book and told to go out and get business. Mr. Hoffman also spoke at some length upon several phases of the business which had most impressed him at Atlantic City.

Prof. Hicks, who followed Mr. Hoffman, spoke on the great economic and social service which life insurance is rendering the people of the country. He claimed that competition was absolutely necessary, but that it should be constructive competition rather than that which is destructive.

Connecticut.

The regular October meeting of the Connecticut association was held on the 10th inst. in New Haven. The speakers were J. L. Loomis, H. H. Anderson, Lee C. Robens, R. J. Adams, F. A. Griswold, James L. Coyle and Maximilian

Stein. The address of Mr. Loomis was devoted to the various phases of the taxation situation. Other matters taken up by the speakers were the Atlantic City convention and local association work in general.

Detroit.

There was a good attendance at the regular monthly meeting of the Detroit association, which was held in the Elliott-Taylor-Woolfenden banquet hall on the evening of the 9th inst. Former President H. Wibirt Spence told of the work accomplished at the Atlantic City convention. In speaking of the non-resident membership amendment to the constitution of the National Association, Mr. Spence called attention to the fact that the constitution of the Detroit association as adopted last spring provided for a non-resident membership with nominal annual dues.

Announcement was made that the November meeting would be addressed by Judge Alfred J. Murphy, of the circuit bench of Wayne county.

District of Columbia.

National President Ernest J. Clark was the guest of Clement W. Huske, president of the District of Columbia association, at a luncheon on the 2d inst. in Washington. Other guests were the regular members of the association and a few life insurance men who had not affiliated with the local body, and George W. Ingham, District Insurance Commissioner.

Georgia.

The Georgia association tendered a complimentary dinner on the evening of the 3d inst. at the Ansley Hotel to Hugh M. Willet, who was recently elected chairman of the Executive Committee of the National Association. President Paul Dobbins acted as toastmaster, and told briefly of the honor which had been conferred upon Mr. Willet which had not been one of that gentleman's own seeking. Mr. Willet responded and in his remarks paid glowing tribute to the other officers of the National Association.

Robert L. Foreman gave an interesting talk on income insurance. Major Thomas Peters called attention to the fact that the Atlanta body was the first local association to suggest reforms in the matter of rebates and in the twisting of agents.

Grand Rapids.

An enthusiastic meeting of the Grand Rapids association was held on the 4th inst. at the Hotel Pantlind. Interesting talks were given by W. A. Willing, of the Equitable Life of Iowa, and R. E. Billings, newly elected secretary-treasurer of the association. The officers elected for the ensuing year are as follows: President, F. M. Wright, Equitable Life of Iowa; secretary-treasurer, R. E. Billings, Massachusetts Mutual; first vice-president, A. H. Bennett, Provident Life and Trust Company; second vice-president, P. A. Geldhof, Canada Life.

Indiana.

The October meeting of the Indiana association was held on the 6th inst. in Indianapolis. The speakers were Edward H. Young, Dr. E. E. Flickinger, W. C. Flynn, Isaac Pinkus and George R. Wilson, all of whom spoke on the Atlantic City convention. W. C. Flynn reported that he had made arrangements with the Indianapolis *Star* for an insurance column in the Sunday issue.

Iowa.

The Iowa association held its first meeting since the three months' summer intermission at the Grant Club on the evening of Oct. 4. Some twenty members attended the meeting and took part in the discussion of plans for increasing the membership of the organization and developing its activities. Will D. Bowles, who had been delegated to the national convention at Atlantic City, told the members of that meeting and its results.

Kansas.

The Kansas association anticipates an active season and President H. O. Garvey has nominated committees as follows: Membership.—S. E. Barber, Aetna, chairman; Richard J.

White, Germania, and Charles S. Sutton, National of Vermont.

Finance.—Elton S. Clark, Mutual of New York, chairman; E. D. Clithero, Home of New York, and John T. Moss, Massachusetts Mutual.

Press and Publicity.—Frank B. Parker, Connecticut Mutual, chairman; Henry H. Hall, New York Life, and E. H. Lupton, Bank Savings National.

Entertainment.—George Godfrey Moore, Germania, chairman; H. M. Leonard, Home Mutual of Topeka, and A. H. Hanson, Penn Mutual.

Conference.—E. W. Thompson, National of Vermont, chairman; F. B. Parker and Charles A. Moore.

Executive.—President H. O. Garvey, Massachusetts Mutual; Secretary Richard J. White, Germania; Treasurer, John T. Moss, Massachusetts Mutual; C. A. Moore, Equitable of New York, and E. W. Thompson, National of Vermont.

Maine.

At an enthusiastic meeting of the Maine association, which was held at noon on the 4th inst. at the Falmouth Hotel at Portland, arrangements were made to prepare a membership card. J. Putnam Stevens, F. M. Grant, D. S. Thomas and Sylvan B. Phillips, who attended the Atlantic City convention, gave the members the benefit of their impressions of the proceedings. An interesting talk was also made by Charles Widmer, of the Home Office staff of the Mutual Life of New York.

Minneapolis.

The September meeting of the Minneapolis association was held on the 27th of that month. J. Edward Meyers gave a brief outline of the proceedings at the Atlantic City convention.

New England Women's.

The New England Women's association met on the 4th inst. and fine enthusiasm marked the gathering. It was unanimously resolved that every woman present should consider herself a specially appointed committee to see that the attendance record this year would be perfect, with a view to having the association continue as custodian of the Waite trophy for attendance. It is anticipated that the next convention will see even a larger delegation from the New England Women's association than that which was present at Atlantic City.

North Dakota.

Members of the Fargo, N. D., association listened to a splendid address at noon on the 1st inst. by Hubert H. Ward, of Seattle and Portland, a former president of the National Association, and noted throughout the country as an insurance publicist, which followed an elaborate luncheon spread at the Gardner Hotel.

The address given by Mr. Ward was one of great value to the life insurance men of the city. In recent years he has become the recognized authority on life insurance advertising, and this phase of the business he thoroughly discussed in a most comprehensive manner. His audience, comprising the city's best known life underwriters, was much impressed with his discourse and gave the speaker the closest attention.

Philadelphia.

Much credit was given Congress for its action in amending the income tax provision of the new tariff act, so that the life insurance companies of the country will not be compelled to pay a tax on dividends to policyholders by National President Ernest J. Clark, in an address at the autumn dinner of the Philadelphia association, held at the Continental Hotel. While urging the members to exert every effort to prevent any increase in insurance taxes, either State or Federal, the speaker called attention to the amendment to the act just before it was passed, which, he declared, will mean a saving to the policyholders of the country of about \$700,000 per annum.

The new national leader also advocated education, con-

servation and united efforts among the agents to help the policyholders in every way. He believes that it is essential for the good of the future in the insurance business that agents be well educated and morally clean, and he called particular attention to the recognition of the important place the insurance men occupy as shown by 40 large universities and colleges that have inaugurated courses in insurance. He insisted that increased taxation simply places a burden on the public, as it must pay the increased cost made necessary by it, and urged the agents to do their best to create public opinion against such legislation.

Tributes were paid the late I. Layton Register, a former national president and an ex-president of the local association, and the late R. Dale Sparhawk, an ex-vice-president of the local association, by Mr. Clark and other speakers, and at the business meeting of the organization resolutions were adopted on both deaths.

The banquet was the largest ever held by the organization, there being more than 250 at the tables. Songs and vaudeville entertainments were enjoyed during the courses and many cheers were given for "Home-run" Baker, Bender, Collins and Connie Mack.

Frank D. Buser, of the local association, who was chosen national secretary at the recent convention, was given a rousing reception when he made an address asking the co-operation of the organization, and other talks were given by William G. Carroll, a member of the National Executive Committee; former National President N. D. Sills; Hugh M. Willet, chairman of the National Executive Committee, and E. H. Plummer, an ex-national president. The toastmaster was John R. Fox, president of the Philadelphia association. Applications were presented for membership by 30 agents.

Pittsburgh.

For the thirteenth time in its history the Pittsburgh association held its inaugural meeting in the English room of the Fort Pitt Hotel on the evening of the 6th inst. In point of attendance and enthusiasm it surpassed any previous meeting of that body. Many of the past and present officers of the national body were present, including National President Ernest J. Clark, National Vice-President Edward A. Woods, Secretary Frank D. Buser, Chairman of the National Executive Committee Hugh M. Willet. The following former National Vice-Presidents were also the guests of the local body: Henry J. Powell, Neil D. Sills, Chas. Jerome Edwards, John Dolph.

Others prominent in National Association work were Warren M. Horner, chairman of the Committee on Education and Conservation; Jules Girardin, of Chicago; Herbert R. Lewis, of Rochester, and J. J. Jackson, of Cleveland, both former National Vice-Presidents; James M. Dickey, former president of the Erie association; Frank Tracy, president of the Buffalo association, and Everett M. Ensign, corresponding secretary of the National Association.

The only formal business of the evening was the election of five new members.

President Royal S. Goldsberry presided as toastmaster and briefly introduced National President Ernest J. Clark, who delivered his inaugural address. Mr. Clark in his address set forth the issues of the present association year, outlining the platform on the several important matters which are now before the National Association. The full text of his address will be found elsewhere in this number.

National Vice-President Edward A. Woods was the next speaker, and he discussed the victory won by life insurance men in securing important amendments to the income tax section of the tariff bill.

In speaking of the great injustice of taxes imposed upon the life insurance business he said, in part:

"Is the burden great? The tax of 70 cents for each \$100 in premiums of 1860—and imposed then for the purpose of defraying the cost of State supervision—has grown to over \$2. The \$2,000,000 exacted in 1890 last year amounted to over \$12,000,000 in addition to over \$2,000,000 of real estate taxes."

EQUITABLE ADVANTAGES

Some of the good things enjoyed by Equitable Representatives

The backing of one of the largest and strongest financial institutions in the world.

A Participating Company.

A Prompt Paying Company.

Of the 5,153 domestic death claims paid by the Equitable during 1912, nearly 98 per cent. were paid within one day after receipt of "Proofs of Death."

A Company whose policies are standard contracts, drawn to conform to the insurance laws of New York and other States.

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A Company sufficiently large and strong to insure applicants for large amounts under a single policy.

A Company whose policyholders include the World's Captains of Industry, whose identification with the Equitable is in itself an endorsement.

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A Company engaged in a broad "conservation of life" movement—aiming to lengthen the lives of its policyholders as well as insuring them.

The Society has openings in practically every State for energetic soliciting agents of character and ability. Address

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Society of the United States**

165 Broadway

New York

"This amount would keep up over half a billion more life insurance. It would increase dividends or refunds by 15 per cent. It would reduce the gross cost of insurance 2 per cent. It would pay the salaries of all executive officers of all the life insurance companies of the United States several times over; and it would reduce the expense rate of life insurance companies about 8 per cent. It is therefore no trifling matter, irrespective of the principle.

"Do we understand clearly, and does the public and do legislatures understand, what claim life insurance has to be encouraged, not handicapped by taxation? Charles Sumner, arguing against life insurance taxation when the nation was at war and was straining to the utmost every possible source of revenue, said:

"What are the premiums? The premiums are themselves a tax. The premiums constitute the tax which the person insured pays for his insurance. * * * Here you are proposing to tax those who have taxed themselves that the nation might not have to support them. You are pulling down the pillars of the temple; you are undermining the structure."

"Life insurance in its essence is not a money-making enterprise, but a method of distributing a loss by combining large numbers of people. It promotes thrift and reduces poverty and the consequent burden of dependents upon the State. It is used either to indemnify for loss, or as a savings for old age or for both purposes in combination. It therefore partakes of the nature of fraternal insurance associations and of savings banks. Why, therefore, should it be the general policy of the State, as it is, to exempt from, or largely favor in taxation methods, fraternal and assessment associations, organized for exactly the same purpose, mutual savings banks, mutual domestic building and loan associations, mutual fire insurance companies, mutual marine insurance companies, all organized for the purpose of either thrift or sharing loss, and yet impose taxes upon sound, regular, life insurance?"

The speaker concluded his address by referring to the work which the National Association's committee on taxation had in view, and claimed that the campaign outlined would tremendously help and strengthen the National Association and every local body.

At the conclusion of Mr. Woods' address, Mr. Goldsby introduced former National President Henry J. Powell, who made an eloquent plea for new members. Mr. Powell has few equals as an exhorter and in a short time 66 applications for membership were handed in to President Goldsby.

Frank D. Buser, the newly elected secretary of the National Association, discussed publicity, developing his subject along two lines, the possibilities of publicity and publicity of the right sort. "Let me give you," said Mr. Buser, "a concrete illustration of how publicity was obtained in another line of business. It is reliably stated that during the past year 37 million dollars worth of bonds were sold by the bond houses of this country in denominations of \$500 or less. Think, for

a minute, what this means! Could these issues of bonds have been sold in these small denominations ten years ago, or even five years ago? Could the public have been persuaded that these investments were the proper form and kind for them to make in small denominations? We know that the public have made these investments, and what is the cause which produced this change?—purely and simply publicity.

"The information as given states that there was a combination formed by the leading bond houses throughout the country subscribing a fund to obtain publicity for these small issues and to open up a market which heretofore had been closed. In the columns of the *Saturday Evening Post*, *Collier's Weekly*, *Leslie's* and other standard publications, reading articles were published, explaining different forms of bond and stock investments, and an analysis, which, if properly followed, would tend to create in the mind of the buyer an answer to the question whether or not the particular issue in which he wished to invest was a safe one for him to undertake.

"On the side of the reading story of bonds and investments appeared the advertisements of many bond houses. The solicitors selling bonds used the current issues of these magazines most effectively when they went to their patrons and showed them that many of the securities listed and approved in the articles were the same bonds which they desired to sell, making use of the fact that the advertisement of the bond house which they represented was accepted by the periodical which published the articles, and that carried with it some guaranty of responsibility.

"That was a publicity movement, wisely controlled and carefully concealed. That is the sort of publicity movement we want to engage in, and to get over our reading stories in such shape that they will sink deep, and be retained in the minds of the people with whom we desire to do business."

Warren M. Horner, chairman of the Committee on Education and Conservation of the National Association, delivered a stirring address, in which he took up the matters to which his committee was devoted and outlined the results which the committee expected to accomplish. His address is given in full on another page of this issue.

Hugh M. Willet, chairman of the Executive Committee of the National Association, was the last speaker. His remarks were brief but highly complimentary to the spirit displayed by the local underwriters.

Utah.

The Utah association held a special meeting, preceded by the regular noonday luncheon, at the Commercial Club in Salt Lake City on Sept. 20. The attendance was unusually large. One of the principal features of the meeting was the reading of an address given by John Wanamaker, of Philadelphia, before the Leaders' Club of the Fidelity Mutual at that organization's recent convention in Philadelphia.

Fifteen new members were added to the roster, all of



ORGANIZED 1868

Here's A Fact—Look Into It.

The Pacific Mutual is an open door of opportunity for high class field men. A California Company with a clean past and a great future.

Admitted Assets \$27,000,000
Life Insurance . 137,000,000



Home Office, Los Angeles, Cal.

whom represented the Metropolitan Life, as follows: Joseph H. Lester, Abraham L. Littlejohn, Fred S. Stripp, Orson D. Thompson, W. J. Wimmer, F. J. O'Keefe, John Vitterli, A. B. Kesler, Emil L. Huber, J. E. Jones, F. D. Rhodere, F. D. McConnell, A. Clyde Crawford, W. A. Moore, L. A. Rhoden.

West Virginia.

The West Virginia association held its last regular meeting on Sept. 27. J. P. Hanley and George C. Crook gave interesting reports of the Atlantic City convention. New officers were elected as follows: President, Geo. C. Crook; first vice-president, J. E. O'Brien; second vice-president, H. A. Vidall; secretary, Thomas S. Meek; treasurer, Geo. Baird; executive committee, H. M. Taylor, H. M. Kimberland, T. B. Sweeney, F. E. Armbruster.

Youngstown.

The Youngstown association held its first meeting of the fiscal year on the evening of Sept. 30, at the Y. M. C. A. There were 20 members present. Preceding the business session an excellent supper was served. Following the regular meetings the officers for the ensuing year were installed by retiring President P. J. Burke. The new officers are: Myron Eckert, president; S. B. Hankins, first vice-president; C. W. Hench, second vice-president; Frank B. Kearney, secretary; E. V. Clyde, treasurer. The executive committee is Claude Worley, F. B. Hawkins, Lee Burt, H. W. Koons, P. J. Burke and C. W. Hench.

Mr. Eckert in taking the chair told the members present that with the co-operation of every life underwriter in the city and vicinity he expected to make this the banner year of the association.

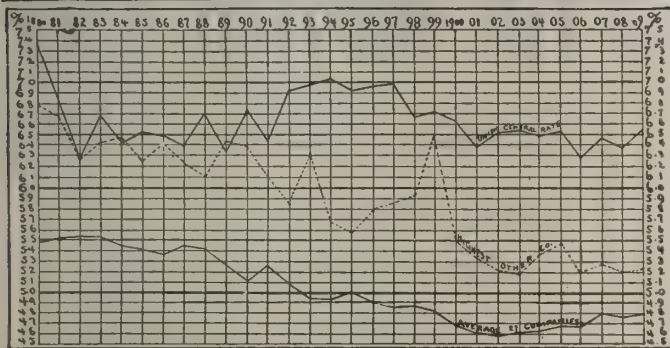
The following committees were appointed by the president to serve this year:

Legislative Committee.—F. B. Hawkins and Leo Guthman.

Membership Committee.—Myron Eckert, E. V. Clyde, G. D. McNab, H. J. Weitzman, W. H. Griffiths, J. E. Hazard and S. B. Hankins.

AGENTS WHO REPRESENT THE PENN MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

HAVE AN INSURANCE CONTRACT
TO PRESENT WHICH IN THE SUM
OF ALL ITS BENEFITS IS UNSURPASSED
IT IS BEST NOT JUST ONE WAY
BUT BEST ALL WAYS
AND ALWAYS
BACK OF IT IS A SIXTY-FOUR YEAR
REPUTATION FOR FAIR DEALING
WITH ALL ITS POLICYHOLDERS WHETHER
CONTINUING, WITHDRAWING, MATURING
OR DYING



The above chart, based on the report of the Spectator Company, exhibits the gross interest realized on the mean ledger assets of the twenty-seven leading life insurance companies of the United States for the last thirty years. The upper line represents the rate realized by the Union Central and the lower line the average rate of all companies. Only twice in the thirty years has any of the other companies earned a higher rate than the Union Central. The most favorable record made by the nearest competitor in the several years is shown by the dotted line.

The Argument that Gets the Business

—"the Union Central pays larger dividends to policy-holders than any other company."

For proof of this examine the chart to the left—it shows how our company has, for the last 20 years, earned for its policy-holders a higher rate of interest than all competitors.

"It pays to work for the Union Central."

For open territory address Jesse R. Clark, President, or Allan Waters, Superintendent of Agents.

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Press Committee.—Messrs. R. L. Hartzell and J. V. Runkle.

The Atlantic City convention was reported by the delegates who attended, each taking up that feature of the convention which impressed him most. Mr. Burke spoke on "Efficiency." Mr. Hankins brought out the good points of the monthly income policy which had been enlarged upon at the convention. Mr. Worley told of the conservation and education campaign inaugurated by the National Association, and President Eckert concluded the program by giving the association his views of the gathering.

STATEMENT OF THE OWNERSHIP, MANAGEMENT, CIRCULATION, ETC.

Of Life Association News, Published Monthly at New York City, Required by the Act of August 24, 1912.

Editor, Everett M. Ensign, 56 Pine street, New York City.
Managing Editor, Everett M. Ensign, 56 Pine street, New York City.

Business Manager, Everett M. Ensign, 56 Pine street, New York City.

Publisher, Everett M. Ensign, 56 Pine street, New York City.
Owners: The National Association of Life Underwriters.

No bondholders, mortgagees or other security holders. The National Association of Life Underwriters is a voluntary association and is not incorporated.

(Signed) EVERETT M. ENSIGN,

Editor and Manager.

Sworn to and subscribed before me this 26th day of September, 1913.

MARK H. COHEN,

Notary Public, N. Y. County.

(Seal)

My commission expires March 30, 1914.

Men Who Can Do The Work

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PORTLAND, MAINE

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1850

1913

The United States Life Insurance Company

In the City of New York Issues Guaranteed Contracts

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President

Finance Committee

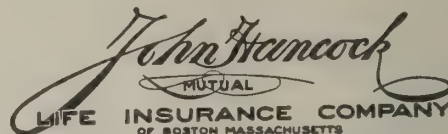
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Metropolitan District

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THAT'S WHY AGENTS HAVE A MINIMUM OF TROUBLE SELLING THEM

Now Then!

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THE MUTUAL LIFE

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A BINDER FOR

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WILL COST YOU JUST

ONE DOLLAR

Life Association News

OFFICIAL ORGAN OF THE NATIONAL ASSOCIATION OF LIFE UNDERWRITERS

Entered as second class matter, Feb. 4, 1907, at the Post Office at New York, N. Y., under the Act of Congress of March 3, 1879.

Vol. 8.

NEW YORK, NOVEMBER, 1913.

No. 3.

An Official Communication of Interest to All Members of the National Association of Life Underwriters.

MR. HUGH M. WILLET,

Chairman Executive Committee,

National Association of Life Underwriters, Atlanta, Ga.

Dear Sir:—

In response to your letter regarding the "Federation of Insurance Agents" recently organized in Ohio, Missouri, and other sections of the Middle West, it is a movement in which the National Association of Life Underwriters or its local associations can in no way share or participate.

The necessities of such an organization to the fire, casualty, surety and other lines of insurance are doubtless apparent to those engaged therein. Life insurance and its interests, however, are so entirely different and the foundation principles of the National Association of such character that in the judgment of its executive officers our interests and those of our local associations throughout the United States and Canada can be far better served by maintaining an absolutely independent existence.

The great work which we have before us now is that of publicity, education, conservation and anti-taxation as applicable to life insurance, in addition to taking the best of care of this magnificent organization which has been built up during the past twenty-three years; consequently, with all due respect to our friends in other branches of insurance, our membership cannot afford to be drawn into any outside federation to the possible injury of our legitimate interests, opportunities or National influence.

Yours very truly,

ERNEST J. CLARK,

President.

THE STORY OF THE LIFE UNDERWRITERS' ASSOCIATION MOVEMENT.

AN INTERESTING HISTORY OF EVENTS WHICH GRADUALLY BUT IRRESISTIBLY TRANSFORMED CHAOTIC FIELD CONDITIONS INTO A STATE OF ORDER AND EFFICIENCY.

Development Of The Idea Passes Through Four Periods From The Early Years Of Local Initiative And Organization To The Present Day Era Of National Initiative, With Real Organization And Public Functions.

By Charles W. Scovel, President National Association, 1905-1906.
This article first appeared in the Fortieth Anniversary Number of the Insurance World.

Are we merely "here because we're here," or do we know the reason why? Do you really know that you are a member of one of the most influential and powerful organizations in this country? You are. Field conditions as you find them to-day are the results of thirty years of strenuous and unselfish labor. Read Mr. Scovel's story and learn about the movement which has made the solicitation of Life Insurance a dignified and profitable profession—Editor's note.

In the beginning—RANSOM.

I feel no irreverence in thus appropriating the first words of the Book of Genesis. This subject matter justifies it. For Life Insurance ranks next to Church and State as one of the three main institutions in which the millions of men unite to advance the welfare of mankind. And Chauncey Monroe Ransom, finding its methods of propagation in a state of chaos, created the Life Underwriters' Association as the one fittest force to bring about, very gradually but irresistibly, a state of order and efficiency.

Col. Ransom was editor and publisher of insurance journals, successively, at Baltimore and Boston, in which latter city he died, December 9, 1901, at the ripe age of 70. His daily work brought him into close contact with the chaotic, dog-eat-dog conditions prevailing among the life insurance men, and at the same time made him the natural mediator, friendly to all and wholly neutral, to bring them together. He began his efforts at Cincinnati in 1870 and worked two years to secure finally the organization of the Cincinnati Life Underwriters' Association. This was the first movement of its type to achieve even a temporary success; for it spread and lasted four years, whereas the only organizations recorded before 1872 (at Chicago in 1869 and at Pittsburgh in 1870), as well as several formed in the South in 1873-4, has proved mere flashes in the pan. Cleveland followed Cincinnati's example later in 1872, and the next year the two bodies united to form the Ohio association. The story of these and later beginnings is told in Col. Ransom's notable paper on the "Origin and Growth, Present and Future, of Life Underwriters' Association," read at the national convention of 1897, at Milwaukee, substantially as follows:

Local Beginnings.

"As in the case of both the Cincinnati and Cleveland associations, the State association undertook to regulate rebating and control the business practices of its members by hard and rigid rules. The whole idea at that time—which experience has proved to be a mistake—was to organize for the purpose of extreme action. Trouble appeared very early, and the final disbanding of both State and local associations, in 1876, was undoubtedly the result of this excessive ambition on the part of members to effect much needed reforms by stringent legislation, and a constitution and by-laws too exacting to secure harmony. Notwithstanding their failure the Ohio associations were instrumental in doing away with many bad practices in field work.

"The next movement to organize a life underwriters' association was inaugurated in Boston in 1883, seven years after the demise of the Ohio State association. The Boston Life Underwriters' Association was organized April 18 of that year, at a meeting held in the office of *The Standard*, of which paper I became publisher in 1878. The Boston organi-

zation has been conceded to be the first successful life underwriters' association ever organized. With the inauguration of that movement in Boston began the steady spread and development of the association idea."

It is more than a mere coincidence that the Pittsburgh association, the second one to prove permanently successful, was likewise organized (March 2, 1886) in the office of an insurance journal. James Calvin Bergstresser, founder and editor of *Insurance World*, was the prime mover in bringing together the Pittsburgh agents, just as Col. Ransom had been at Cincinnati and Boston.

In the fall of 1886 three other associations were formed: Michigan (Detroit), Minnesota (St. Paul) and Western New York (Buffalo); in 1897, New York (City), Maine and Philadelphia; in 1888, Kansas City and Chicago; in 1889, Cleveland and New Hampshire; and up to June, 1890, Nebraska, Cincinnati, Baltimore, Providence and Vermont—making seventeen in all. Fourteen of them—being all, except Minnesota, Kansas City and Cincinnati—took part through their delegates in starting the National Association. At this point Col. Ransom's paper, above-cited, continues in part as follows:

National Federation.

"At the time of the organization of the Boston association, and subsequently in the organization of other local associations, the final goal looked forward to was the organization of a national association. In 1890 the time seemed ripe to inaugurate this movement. At a conference in Boston, April, 1890, between representatives of the Boston, New York and Philadelphia associations, Messrs. Tilden Blodgett, of New York; E. H. Plummer, of Philadelphia, and D. N. Holway and C. M. Ransom, of Boston, were chosen as a committee to issue a call for a national meeting in Boston, June 18, 1890. Fourteen associations responded to this call by sending delegates, who held a two-days' session and completed in a most satisfactory manner the organization of the National Association of Life Underwriters.

"As had been predicted, the organization of the National Association acted as an immediate stimulus to the organization of local associations. During the seven years that have passed since then, thirty associations have been organized, more than double the original number. Some of these associations are not now active, but with few exceptions all are in a healthy state and are doing good work in the cause of genuine life insurance.

"Following the signing of an anti-rebate agreement among its members individually, the Boston association was instrumental in securing the passage in 1887 by the Massachusetts Legislature of an anti-rebate law—the first passed by any legislative body in this country—the wording of which is doubtless familiar to most of the members of this body. Since that time the associations in nineteen other States have

been the means of securing the passage of similar laws; making twenty States up to date in which, under the law, rebating is a criminal offense for the agent, and in some States for both the agent and the applicant.

Improving Field Practices.

"Other improvements, too numerous to mention, over former field practices have been brought about through the influences of association work. There has been an earnest effort to up-build the great system of life insurance as a whole, instead of, as in former days, trying to tear down competitive companies; and to-day instances are not infrequent where agents cheerfully assist each other in securing applications.

"Through the opportunities afforded to hear and meet men of other callings at the social gatherings of the National and local associations, the doctrine of protection has been liberally spread abroad and a general elevation has taken place in the public estimation of the men engaged in the business.

"The future of life underwriters' associations depends upon the interest which the members of these associations manifest in their aims and purposes. As in all large enterprises, loyalty to a common cause is an essential element of success.

"Loyalty to the association means strict adherence to those principles and practices which will continue to reflect credit upon all those who are toiling in the great field of life insurance.

"Neither the local associations nor the National Association are legislative bodies. In the future, as in the past, their ends must be accomplished by suggestions, precept and example.

"There is a great and far-reaching responsibility resting upon the members of these associations, and they should spare no effort to protect the business of life insurance as well as the associations, from the assaults of foes, whether they be within or without the walls.

"Above and beyond the desire to see the association idea successfully carried out to its logical end, should be the determination to relax no effort which will place the business of life insurance on the topmost pinnacle of fame, and which will thus enable the men who at present constitute the membership of life underwriters' associations to leave to their successors an inheritance of good work and of duty well performed."

Truly Col. Ransom himself left such an inheritance, never to be forgotten. The National Association keeps his name in its constitution as its original and only honorary member, for whom that class of membership was created at organization. Over his grave at Newton, Mass., stands a fitting monument of granite, erected by all the associations, inscribed "In Grateful Recognition of His Inestimable Service in Their Formation and Nurture," and thus characterizing his life: "He Loved His Fellow-men."

The Life Agent First.

Like Ransom and Bergstresser many insurance editors elsewhere rendered inestimable service in helping to organize the local associations and assisting the whole movement by wise counsel and invaluable publicity. But with all due acknowledgment of editorial nurture and aid, the main credit for the inception, scope and influence of the association movement remains with the life insurance agent himself.

It is significant that the agents, the men that did the companies' fighting for them, were the first to realize that there could be such a thing as a common cause among life insurance men. They began in the 70's and reached permanent organization in 1883. Even the strictly professional forces, the actuaries and medical directors, did not organize until 1889, and it took the upheaval of 1905-6 to bring the executives together in January, 1907. Indeed, except only the fire insurance boards (needed in the daily routine of that business), no other class of insurance men got together on common

ground as early as the life agents. The only other agency body is that of the local fire agents, formed in 1896. The organizations of fraternal, accident, casualty and surety and marine executives all date later than 1883.

The thirty years' record of the life underwriters' movement falls naturally into four divisions, two of seven years and two of eight years, viz:

1883-1890—local initiative and organizing.

1890-1897—local initiative, with national federation.

1897-1905—transition; ebb and turn of the tide.

1905-1913—national initiative, with real organization and public functions.

Transition Period.

Col. Ransom's paper has given us the most authoritative general survey of the first two periods, and of the purposes and ideals which have from the first animated the whole movement, even when there seemed least prospect of having them prevail in daily practice. Such a time of trial and turbulence was at hand in the third period, 1897-1905. Then the fires of company rivalry blazed more fiercely than ever. The years 1897-9 saw the hot finish of the race between the three "Giants" of their day to reach the billion dollar goal. These conspicuous examples were followed by many other companies. Things fairly sizzled. In the carnival of rebating other field practices also went to the dogs.

Of course, all this affected the associations. Their high aims and efforts of 14 years were mocked by conditions almost as bad as before they started. Weak members fell away, more of the weak locals than usual disbanded, and new organizing halted. From the roll call of 14 locals in 1890 there was solid growth up to the 30 recorded in 1897, with their membership reaching 1,337. The record for 1898 showed only 23 locals, with 967 members, a terrific slump. Something had to be done.

Peripatetic Presidents.

Here is where the National association first began really to take the initiative, by systematically stimulating the life of the local bodies whence its own life had been derived and sustained up to this time. It had no funds and no machinery to do it with. The initiative was taken by the voluntary action of President Richard E. Cochran, elected that year, in making himself the first of the long line of peripatetic presidents who have each traveled many thousands of miles at great cost of time and energy, and (until 1911-12) without a dollar from the treasury to do it on. By personally visiting "almost all the associations" Mr. Cochran stayed the ebbing tide and reported 26 locals and 940 members in 1899. It took the successive efforts of Presidents Johnson, Register and Wyman, each exceeding his predecessor's mileage, to bring both totals back to and above the 1897 mark by listing 35 locals and 1,441 members in 1902. Presidents Farley, Ward and Dolph successively increased the pace, the conventions of 1903 and 1904 devoted much time to discussing methods and means, prizes were offered. Also in 1904-5 an "Extension Fund" of \$2,500 was raised by special subscription to be applied for some years to come in meeting the greatly increased cost of printed propaganda, addresses and correspondence centering in the secretary's office, which Ernest J. Clark had already made a beehive.

As the result of all these valiant efforts, with a few stalwart helpers in each administration, the whole movement took on new life. Local membership and fellowship was greatly stimulated and, while rebating kept on unchecked, the bitterness of competition and many of its incidental evils and abuses kept growing less. In many locals the sub-agents as well as the heads of offices were admitted to membership, and the leaven of the common cause began to permeate the entire field force as never before. The tide had turned, indeed. The 1905 roll showed 45 locals with 2,032 members, and that convention broke all records for delegates present. Thus this third period, beginning in gloom, ended with the organized agents grown stronger and more united than ever—as though

made ready with prophetic foresight for the storm that was about to burst from an entirely new quarter and rage with unexampled fury.

The Epoch-Making Year.

At this distance one can look back at that year of 1905-6 in association work and say it was a wonderful year. As it seemed at the time it could only be described by the short, ugly word that General Sherman used for war. But just as war always does, that outburst of crowd-madness—attacking all life insurance indiscriminately, because of the uncovered faults of a few conspicuous individuals—welded the agents solidly together and developed leaders among them, not one, but many. In this strenuous year, though the president had to travel over 45,000 miles and devote practically all his time, it was no one-man job. Success was made possible only by the continuous co-operation of a dozen men, who traveled some thousands of miles apiece in attending hearings and conferences in the national work, in addition to the scores of leaders and thousands of agents who did active service in their own cities and State capitals. The result was to give to the whole association movement (to quote Secretary Clark's 1906 report) "a strength and influence throughout the continent that it could not have gained under normal conditions in the next ten years."

The New York investigation had begun in September and its first effect, soon manifest, was to frighten the millions of policyholders and to start lapsing on a wholesale scale, with widespread misery among dependents to follow. To reassure the people was the first line of association effort. Of the president's inaugural address on October 2—setting forth the "safeguards" of life insurance in plain words for the layman—10,000 copies were printed and distributed for use by the members everywhere.

To Comfort the People.

President Roosevelt, former President Cleveland, Secretaries Garfield, Taft and Root, former Secretary Paul Morton, Counsel Charles E. Hughes and the Armstrong Committee, and many others, were visited in October and November and interested in a fully elaborated plan for a great national dinner, to be given by the association at Washington and to be addressed by the President himself and a dozen of the country's biggest men of all classes—sounding a mighty unison of confidence in life insurance that would reach and comfort every policyholder in the land. Unfortunately, the very day the plan was to come up again at Cabinet meeting for final approval (which seemed assured) the testimony at New York as to the political contributions made by some life companies in 1904 filled the morning papers with the biggest scare-heads yet—and the intended unison led by that President did not seem "timely" just then. Nor had it become so, when considered again in December and January.

This important plan, on which a half dozen leaders spent as much travel and time as a whole year's administration had usually required, was, of course, kept from any publicity at the time. It seems all right to tell it now, however, and it ought to have its place on the record because, while seemingly unsuccessful, it directly brought about results that were nothing short of epoch-making. In January, when President Roosevelt sent word by Mr. Loeb that the dinner plan still did not seem timely, he added, "But tell Scovel that I have just directed that their association be invited to send delegates to this conference at Chicago, and that I hope they can work to the same purpose there."

Summoned for Public Service.

Thus it came about that the organized agents, who during 23 years had restricted their own activity to field matters exclusively, were officially called on to act for life insurance in general and for the policyholders in particular. The agents' delegates were enrolled with the State officials as regular members of the Chicago Conference; of the many company officials present, several were allowed to speak only by special consent. On this historic conference and the agents' share in it, let me quote from an address at the

national convention of 1911 by Wm. J. Graham, who took a most useful part in the events of 1906 as actuarial adviser to the Committee of Fifteen—slightly condensing his language as follows:

"The revolution in life insurance, dating from five or six years back, has done much to develop the force of the agent in life insurance affairs. Superintendent Potter [of Illinois] in his address to-day emphasized the importance of the agent's position as a representative alike of the policyholder and the company. I think much of this recognition of the dual capacity of the agent was first won by . . . the representatives of the Life Underwriters' Association at the convention of Governors, Attorneys General and insurance commissioners at Chicago in February, 1906.

The Chicago Conference.

"This was an epochal convention, the first that ever brought together the officials of the different States in joint conference to make for uniform action and uniform laws. Company officials beyond number were present at the convention and later, before the famous Committee of Fifteen which emanated from this convention. Unfortunately and unreasonably the utterances of company officials were discounted at that time. It was then that the agent stepped in for the recognition which was due him as a representative of the policyholder, as well as of the company. The words of the agent, as spoken by Mr. Scovel and Mr. McMullen, and later by Wm. C. Johnston, Chas. Jerome Edwards and others, won from State officials and Legislatures consideration which was denied at that time to the utterances of the officials. The agent at that time took his part in the reconstruction era and in forwarding the renaissance of life insurance—and took it well."

The incalculable benefit gained by the Chicago conference was to hold back the tidal wave of extreme legislation that then threatened to sweep through most of the States. In restraining the legislators at that time, and in helping later on to enact the moderate reform laws finally recommended by the Committee of Fifteen, the officials of many States were backed up and greatly aided by the local agents, with their new prestige as the one class of insurance men that had been summoned by the President of the United States for that very service. It is noteworthy that in Texas and Wisconsin, where alone the later legislation ran to extremes, there were no associations at the time; and that in New York, the storm center where alone the legislation was rushed through in 1906, it was wholly due to the five strong associations, backed by the 18,000 agents, that the original bills reported by the Armstrong Committee, were opened at all to let in the 223 amendments that made them even temporarily workable.

Helping State Officials.

That these new public functions of the Life Underwriters' Association have become permanent, in normal times, is attested by the following shortened extracts from an address before the 1911 convention by Superintendent Hotchkiss, whom Governor Hughes chose to head the New York department:

"In very recent years your leaders have established a working arrangement with the supervising departments themselves. Anxious to sense the public's wishes as to laws or policy, we of the field of supervision have grown accustomed to ascertain such wishes by conference with your representatives. The response has been hearty, usually frank, and the result good. . . .

"The agents should make insurance legislation their business, not for selfish reasons, but for the common good. In no kind of law-making does the average legislator more need reliable advice than in this specialty. For reasons well understood, he is more apt to reject than accept the proposals of company or counsel; the policyholder, in the aggregate, can express himself, if at all, only through the department—and such expression depends largely upon the sort of man who for the moment is such department's head. Who understands these insurance problems better even than does the company? The agent. Who is the natural spokesman of the policy-

holder? Not the company, but the agent. Why may he not, as the spokesman of both—yes, of the public itself—guide the departments and legislatures towards laws that shall always be broad and fair?"

New Working Machinery.

The emergencies of 1905-6 had enormously increased association activities everywhere, and had finally centered in the national body the general initiative of the entire movement and a brood of new public responsibilities. This meant inevitably new machinery that could keep going between conventions, and new constitutional provisions with enlarged powers in the national body and uniform standards of membership, etc., among the locals. The first three years of this fourth period brought these changes to a sound footing and registered the final transforming of the association movement from a loose federation, occasionally active at this or that point, into a close-knit, efficient organization with its national plant in continuous operation and its local branches far stronger and more active than ever before.

LIFE ASSOCIATION NEWS, the official organ published monthly by the national body, was the first of these new developments and has proved to be the chief and essential factor in bringing about all the rest. It was started by the officers on their own responsibility in the summer of 1906, and has fully realized the broad purposes then declared, viz., first, to energize and unify the whole movement by interchanging our news and ideas and stimulating wider publicity for them through the insurance journals and other papers; second, to provide the sorely needed central headquarters and staff, on a permanent business basis; and, third, ultimately to yield revenue to extend the work and help pay the heavy traveling expenses of the president and other officers.

Its capable editor, Everett M. Ensign, has long since been made corresponding secretary of the association and in his office the work and records are centered, with great gain in efficiency and saving in money. While retaining a sizable surplus in its separate account, the News has paid into the general funds dividends of \$500 in 1911 and \$1,000 in 1912. The volunteer service of Walter L. Sammis, as editor, was invaluable during the first two years. Mr. Clark from the very beginning, and Mr. Edwards after the first year, have served continuously on the publication committee and deserve the lion's share of credit for working out the results. I may be pardoned the personal remark that I would rather have the administration of 1905-6 remembered for the founding of LIFE ASSOCIATION NEWS than for anything else. Its usefulness is bound to keep growing with the years.

Efficient Organization.

The constitutional amendments of 1906-8, among many points, covered two main matters of membership and two of organization. For the first time the national body set definite membership standards for the locals, preventing the admission thereafter by old or new associations of the agents of any other than a regular legal reserve company—the "regularity" of a company depending not at all upon its age or size, but wholly upon its keeping clear of false principles and vicious practises, hurtful alike to the business and the public. The personnel of the national body itself—delegates, committee men and officers—was limited strictly to persons "clearly identified with the agency field as distinguished from the home office," while leaving the locals free to admit home office men, examiners and journalists to such local membership privileges as they pleased.

The long-established plan of having each local association represented in the executive committee by a member elected for three years was made really effective by authorizing a member pro tem to be substituted when the regular one could not be present. This insures at all times a fully representative smaller body to save the time of the convention, and to act with authority between sessions.

An entirely new and much-needed advance was the creation of an executive council of seven—the president, secretary, executive chairman and four others elected in alternate pairs for two-year terms, on the president's nomination. This

is the cabinet, in session by correspondence all the time and physically together whenever needed, overseeing the editorial policy of the News and generally sharing the continuous executive responsibility with the president—normally a most welcome aid in his work; but also, should the need ever arise, an ever-ready power to overrule him by a majority not of his choosing.

The administration of the National Association of Life Underwriters is no longer a one-man job in any sense of the phrase.

Canada's Organizing.

In extent, as well as in content and intent, the growth of the movement during this last period, 1905-13, has exceeded all expectation. Canada's organizing was the wonder of 1906. Transitory organizations had started at Toronto in 1900 and at Quebec in 1902, the latter showing much strength for a year or two before dying down. Montreal agents (sub-agents only at first) began the great permanent movement by organizing early in 1906, after corresponding with Secretary Clark, of the National Association, about methods, constitution, etc. At the mid-year meeting in May this new association was admitted to membership and its representative, Mr. Thos. J. Parks, seated in the executive committee. Meantime the fire was spreading. By June half a dozen others had started, and on June 25 the writer and Vice-President McMullen attended the first luncheon of the present Toronto association and the meeting of delegates to organize the Life Underwriters' Association of Canada. The fire spread on from coast to coast, and by October the half dozen locals had become eighteen, and the Dominion organization, including them all, was admitted as one member of the national body, now become international. The Canada association has kept right on growing, its annual convention of 1912 having a roll of 35 associations with 1,101 members. In 1906-8 it was represented by invitation at the sessions of the Royal Commission and parliamentary committees, and there, too, the organized agents gave welcome aid in framing a wise and fair life insurance code. *Office and Field*, the adopted official organ, has been a vital factor in the Canadian movement from the first. How warmly the brilliant start of the Canada organizers was appreciated by the older associations was shown by their promptly choosing Toronto as the place of the 1907 national convention, one of the best of the long series.

New Growth and Groups.

St. Louis in 1906 brought the convention farther to the south and west than ever before and added growth in those directions was stimulated by meeting at Los Angeles in 1908, Louisville in 1909 and Memphis in 1912, with Detroit and Chicago in between. St. Louis started this fourth period with a roll of 51 associations, counting Canada as one; or 68 locals all told in the two nation-wide organizations; with total membership of 2,556, including 500 for Canada. President McMullen, in the hard year of 1906-7 with the new laws turning things topsy-turvy, and President Edwards, in the two following years of financial panic and depression, pulled mightily at the laboring oar; and Presidents Whittington, Powell and Bishop, though in better times and with all the new machinery running smoothly, kept up practically the same fast pace in travel and work. Thus the 1912 roll was brought up to 69 associations, counting Canada as one; or 104 locals, all told, in the two groups; with total membership of 3,796, including Canada's 1,101. President Sills has this year been keeping right along the same lines and will doubtless have yet larger totals to report. He has also assisted former President Ward in starting off a new group, the Northwest Life Underwriters' Congress, formed by the existing locals in Washington, Oregon, Montana, Idaho, Utah, British Columbia and Alberta. Its first annual session was held at Seattle June 2 and 3, the next is fixed for Portland, and Vancouver is in line for the third. Other similar groups may well be formed in the more remote sections to bring convention benefits closer home to the rank and file—and with the further result, I believe, of increasing their appetite for the big circus in the main tent.

The main achievement of the association movement has made the least noise—the bringing together of once hostile agents into a consciousness of their common cause, a sense of fellowship, a desire to have the other good fellows think well of one. In other words, it has gradually evolved within the ranks a public opinion, favoring the square deal and frowning at evils. That silent, pervasive and persuasive force has gained much headway in the new era of life insurance; it is ever pressing onward, and the end is not yet.

The Great Silent Force.

Against old evils the association has used all means of attack. Rebating it sought to destroy by pledges and discipline within its own ranks from the first; also by getting a score of States to make laws that were too far ahead of the times to be enforced. Then it put the issue squarely to the companies to control each its own agency force, which 18 companies in 1893 privately promised the association to do, and which 25 companies in 1895 (as the result of President Plummer's personal round of the offices) publicly contracted with each other to do, providing \$10,000 a year and such referees as former Governor Russell, of Massachusetts, and Speaker Thomas B. Reed to enforce the compact. This also failing, the convention in 1899, and again in 1900, further proved the agents' good faith by urging the companies to reduce first-year commissions and increase renewals, and thus encourage bona fide business only and keep it on the books. All in vain. But as soon as the New York investigation got far enough to throw the fear of God into the worst high-pressure headquarters, the agents got busy right away and for the very first time succeeded. Pittsburgh led early in December, 1905, with its special committee, attorney and prosecuting fund. Many other association have since had like success, and almost everywhere King Rebate is now an outcast. The anti-rebate laws have been amended generally to penalize both giver and receiver and make either testify against the other, and also to cover the later devices of board-contracts, stock-options and the like inducements. With the advance of public opinion in and out of the business, these laws are now as well enforced as other penal statutes.

"Twisting" was denounced in a strong campaign and booklet by President Bowles in 1897-8 and by numerous resolutions since—particularly in 1911-12 when the national and local bodies did much to stop the so-called abstractors and others in their specious efforts to induce policyholders to withdraw existing reserves to invest themselves and carry new policies with the interest. In many States the associations have got new laws passed to penalize any misrepresentations or incomplete comparisons by the would-be twister. More than that, he is looked upon by all decent agents as a sneak and a snake—and he knows it!

Good Ethics, Good Business.

As to competitive practices in general, the full stature of association ethics was declared by the 1911 convention in a strong resolution that expressly recognized the "obligation to put the larger interests of the life insurance business above any personal or company interests," and the consequent duty to "eliminate all prejudicial and unfair competition." To these ends the association "calls upon its membership to eschew all competition of a nature calculated to unsettle the insurance mind of a prospect" and "in general to apply the Golden Rule where at any time there may be temptation for personal interest in competition to encroach upon professional service." The one further step is indicated in choosing for the 1913 Prize Essay Contest, now under way, the subject, "Creative Soliciting, Rather Than Competitive"—in order to bring out the practical reasons and methods whereby these higher ethics shall be seen by all to be also good business; to be the most profitable working plan, dictated not only by professional idealism, but still more by enlightened self-interest.

Efforts to improve the personnel of the field forces and to drive out rounders and grafters have been constantly made by the associations, a number of them maintaining reference bureaus or other defenses against the disreputables. Merely

undesirable part-time men have also been opposed by a growing sentiment since 1901, when the convention urged the companies not to employ "persons who only make the business a make-shift or temporary employment" and urged the locals to prosecute those found soliciting without a license. The 1909 convention, with ringing resolutions, led a stronger campaign against the harm done by "part-time agents and one-case brokers who neither educate a prospect nor create an applicant." Already new laws have been secured in several States, under which the department can and does refuse licenses to any but bona fide agents, and which also forbid any commission to be paid to or shared with an unlicensed person.

Education and Publicity.

Education of the public through both the schools and the press has been advocated and practically promoted from early days. The second convention, 1891, appointed a committee to correspond with various colleges and institutions throughout the country to get life insurance made "a common class study" as generally as possible, and also endorsed a proposition for establishing a chair of life insurance in the University of Chicago. A large number of higher institutions give some general, theoretical instruction in life insurance, and of late years many local associations have helped make these courses more practical by supplementary lectures and addresses from prominent officials and agents. Local newspaper publicity of the most readable and informing kind has been an indirect product of these educational efforts, and the same has been very widely obtained for the actions, ideas and addresses developed in the association meetings and conventions. When there is any sort of a news happening to hang it on, the newspapers are often very generous in printing such matter, especially if they are supplied with advance copy, photographs of prominent speakers or other data. For instance, before the St. Louis convention, much advance copy was mailed by the three press associations to their 1,400 papers and 100 were also reached by Associated Press wire direct from the platform, resulting in some thousands of notices ranging from a dozen lines to several columns. All this publicity made the best kind of a beginning for the "campaign of education among the public, the press and the legislators" that we had promised President Roosevelt and the Committee of Fifteen to undertake as our part in that great movement for wise and uniform laws.

A Greater Campaign.

Now, in these piping times of peace, the National Association is entering upon another and greater campaign of education and conservation—started by the 1912 convention in the hands of the strong special committee headed by Warren M. Horner. To the academic part of this campaign, directed to the colleges and high schools, President Sills, as well as the committee, has been giving a great deal of attention, and much more has been done this year in the way of increasing and amplifying life insurance courses than ever before.

Meantime the committee is pressing forward with the broad plans for diffusing among the people generally correct ideas as to life insurance, what it is and what it does. The possibilities of benefit to the public and to the business are beyond imagining. It is a big contract to handle such a campaign (over and above the financing of it)—but it is peculiarly the work of the agent, who is in closest touch with the people, and what they don't know, and how best to tell it to them. And the agent's great country-wide organization, after this eight-year period of development along kindred lines, is now strong and ready for just such a monumental undertaking to crown its thirty years of past achievement and inaugurate a new period of still broader and higher public usefulness.

Postscript.—To the foregoing record the Atlantic City convention of September, 1913, has added its full quota of progress.

Its attendance was 934, much the largest yet. And it threw its whole force behind the great campaign of education and

conservation in all its phases. It repeatedly showed real enthusiasm for the big, vital idea of institutional publicity in the advertising and other columns, and it bade the existing committee go right on with the work along that line, as well as among the colleges and schools.

The subject of taxation, one phase of the conservation campaign, was singled out in two ways: First, a ringing appeal was telegraphed to the congressional conferees and President Wilson to exempt all policyholders' dividends from the National income tax—which telegrams, it is since learned, were main factors in winning that eleventh-hour victory at Washington for a just cause deemed already lost. Second, a strong new committee, headed by Vice-President Edward A. Woods, was created to lead in a broad movement to educate the agents, policyholders, legislators and everyone else to realize the error and injustice of the present excessive taxation levied by the several States upon policyholders' premiums and assets.

Unprecedented growth in all lines was reported for the year. Seventeen locals were added to the roll and only one dropped out, bringing the total to 84. The number of members reported was 4,139; paid for 3,616—a gain of 921, or 34 per cent. These figures are exclusive of Canada's 35 locals and 1,216 members. The association movement as a whole now includes two general and 119 local bodies, with 5,355 actual members. A very large proportion of all the agency heads are actual members, and their scores of thousands of sub-agents can thus be counted on as adherents, ready to follow association leadership in actions for the common good.

LIFE ASSOCIATION NEWS, while holding a balance of \$312 larger than a year ago, paid into the general funds a dividend of \$1,500—being one-half more than last year and \$207 more than the entire national dues in 1904. Thus its net cost to the association for the year was less than half the subscription dollars received. Its value is not so easily measured.

The 84 cities now represented include the bulk of those capable of keeping up a live, active local association. Future growth must mean more members, rather than more organizations—more members for each local, not only within its own city, but in all the towns around. To help locals enlist non-resident members on a distinct basis, the convention reduced the national dues for such a class to \$1 apiece, just enough to cover the individual subscription to the NEWS required by the postal regulations.

To visit 67 old associations and to organize and enroll 17 more, President Sills had to travel for 174 days over 32,000 miles of track. He will close the list of the traveling presidents, now 15 years long. The task has grown too great. Moreover, while the need of an organizer on the road is growing less, the need of a central executive always on the job is growing far greater, with the greater scope and importance of the national activities now undertaken. In a resolution rehearsing these facts, the convention requested the incoming president to act accordingly. Then it proceeded to elect, in the person of Ernest J. Clark, the one man of widest administrative experience for nine years past, the one peculiarly fitted to inaugurate the more centralized system of operation henceforth demanded. He will have to work as hard as his predecessors, and will get less fun with the work. But his success in this one year will mean much for the whole new era of broader activity upon which the association has embarked.

THE OBSERVANT MAN IN LIFE INSURANCE.

The Psychological Moment in an Interview Recognized Only by the Solicitor Trained to Habits of Keen Attention and Observation.

By Hubert H. Ward, General Agent, Pacific Northwest, Pacific Mutual Life Insurance Company.

There is considerable difference between a man and an insect. Certainly! But did you ever stop to think that one great difference was in the range of vision? Some insects have a range of vision taking in about half a sphere, and therefore, they are able to see objects behind as well as those in front. Man's opportunities for observation are more limited, but this gives greater possibilities for concentration. Mr. Ward tells us in an easy and interesting manner, how we may use our powers of observation to greater advantage.—Editor's Note.

Are you, Mr. Agent, an *observer*? Do you notice the little things in life as you go about your daily work? I know of no business where *observation* counts for so much as it does in the salesmanship of Life Insurance.

We, in the Life Insurance game, might be said to be on a straight-away track which reaches as far as the eye can see, and is only lost in the dim horizon, but we know that it goes on even beyond our vision, stretching out into infinite space. As we look back along the track over which we have come, we see the rails stretching backward as far as the eye can reach and to the dim horizon. If we have been keen with our "observation" we have some idea of the scenes along that track, and if we are keen observers, we are constantly having a relish for the scenes which we know are just ahead of us. Life for each one of us is a track and we, as individuals, might be likened to a train on that track.

The modern train of to-day is composed of the following essentials, first *power* represented by the engine that the train may get somewhere; second, *day coaches and sleepers* that comfort and rest may be had, and third, on first-class long-distance trains, the *observation car*. This car is a comparatively new innovation.

A Lesson.

I do a great deal of riding on railway trains and wherever I can I always ride on a first class train, and I ride in the observation car. I have crossed the continent on first class trains on all the trans-continental lines, and have usually only been in my own section of the sleeping car when the berth was made up. I have spent my time in the observation car. Why? do you ask. First, because of its many opportunities for *observation*. There is the place where the traveler may observe two things, *nature* and *human nature*. Many an hour have I sat on the observation platform watching nature. Many an object lesson have I had pointed out to me on the back platform. Many an hour have I sat in a comfortable chair on the inside of the observation car watching *human nature*. There is a freedom which the traveler carries with him into the observation car which does not exist anywhere else on the train. The average traveler is open to impressions, and if he is keen, those impressions, little as they may be, serve to accentuate his *observing* powers. The observation car is a good place in which to make acquaintances. Not long ago in riding from Seattle to Portland I got acquainted with the man who originated a simple little lotion called "Tiz," and in our conversation of an hour I got some good ideas from him.

On my recent six weeks' trip East, I covered a distance of 8,059 miles from Portland to Portland, and I tried to make the most of my powers of *observation*. I think I spent nearly all of my time in the observation car and many an hour was spent on the observation platform. Sometimes on that observation platform, even though it may be crowded, I may wish to be alone with my thoughts and it is always

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\$1.00.

one's privilege. At other times I may be learning something by conversation with my fellow passengers. In any event, I try to make full use of what that car is on the train for—OBSERVATION. The railway train is a great place for the study of human nature. We meet all kinds, some pleasing, some disgusting. If we have trained our *observation* powers properly we will let the pleasing make impressions on the brain and we will dismiss from our thoughts that which is disgusting.

Three years ago up in the Cascades near the tunnel at the top of the railroad grade on the Great Northern occurred an avalanche which swept a train from the track into the canyon below, killing some ninety passengers. Following this catastrophe the Great Northern Railway with the energy characteristic of J. J. Hill proceeded to make on that mountain a massive concrete snowshed over which future avalanches might go at will and with perfect safety to the trains which might happen to be there at such time.

Mr. Life Insurance Agent, take the lesson to heart. Catastrophes frequently overcome you at times. Possibly an avalanche strikes you and sweeps you from your moorings and carries you bruised and bleeding into the depths of despair. Are *you* (Mr. Agent of the catastrophe temporarily sweeping you from your feet) going to permit your life's railroad track to be severed so that there may be no connecting rails between the past and the future, or are you going to pick yourself up again, build a concrete snowshed and start your trains going again on schedule time?

Starting from the Terminal.

Did you ever stand in any of the great railway terminal stations of our cities and watch the trains arrive and depart? Well, Mr. Agent, every morning *you* start out from *your* railway terminal in life insurance, and *you* have a schedule to keep and a certain distance to cover which requires a certain number of hours of good hard work and at night *you* pull *your* train into the terminal at the end of the day's run and *your* engine stops. What happens when the train stops in a railway terminal at the end of a trip? The platform quickly becomes alive with passengers who have disembarked and are hastening to their various destinations. The train has not made its run in vain. It has had something to deliver. It has delivered goods, both human, baggage and express. Mr. Agent, at the close of your day's run when *your* day stops and *your* work for that day ceases, what have you to deliver as a result of that day's run? The deliveries which you can make are largely the result of the *observations* which you have made during the day. With one prospect you observe by keen attention that he is ready for life insurance. You know the psychological moment when it arrives and the result is you write the application.

The Psychological Moment.

By lack of *observation* you may not see the psychological moment when it arrives and you lose the application to some other man. Remember the railroad train. First you must have an engine, you must have your steam up. With that steam you must generate power, power to move things, power to accomplish tasks. An engine of itself may have power, but an engine running over a railroad track without cars behind it carrying something, is burning fuel and accomplishing nothing. You then, Mr. Agent, must have your steam and your power, but you must have something back of the steam and the power, something back of the engine. You must have a trainload of passengers, in your case, intelligence, honesty, truthfulness, sobriety, knowledge of your business, interest in others, knowledge of human nature, and last but not least, a keen power of *observation* that you may apply these other qualifications at the right moment to the right man in order to produce the results necessary for your success in business.

Mr. Agent, do you get me? The engine is the first and foremost essential, but the observation car at the other end of the train also has its place. A train is rated to-day as

a first class train by its observation car. The Life Insurance agent is, in turn, known to-day as a first class Life Insurance agent by his power of *observation*, his ability to see things.

In conclusion, Mr. Agent, you are ready each morning with your train for a day's run just as the engine is ready with its empty cars. The train makes dividends for the company, however, by having passengers in those empty cars. You have a pocketful of empty applications when you start out on your work in the morning. You only make dividends for yourself as you fill those empty applications with the signatures of prospects for Life Insurance.

At night when you return to your home after your work is done, you rate the success of your day's work by the one, two, three or four signed applications, which you have with you, and you will find that most of the applications you do write are written from the "observation car" of your brain.

OFFICIAL NOTICE

Pittsburgh, November 10, 1913.

In re Local Publicity.

To the Local Associations:

The national press committee wants to do what it can to help you get more publicity in your home papers about your association and its doings, and about life insurance and its doings.

To get editors and proprietors to realize personally what this great association movement is, and that it really stands for public service, is the point on which the rest hinges. That means they must be personally cultivated by the right men, using the right seed.

We will try to send you from national headquarters some of the right seed. The first batch will be some pamphlets telling the story of the association movement, as printed in this issue of the NEWS, but in a shorter form.

You will have to supply the right men, if you have not already done so. That doesn't mean taking just any old men, not otherwise assigned, and labeling them "press committee." It means your best men—best in local standing, in association zeal and in knowledge of newspaper men and methods.

Better include one or more in close touch with your colleges and schools, and call them the "Education and Conservation Committee." This will concentrate the local end of the whole work that the two national committees have in hand, and be most effective in dealing with the newspapers.

From those men, or any others, I urgently request suggestions of just what they want this committee to do, if possible, to help them as time goes on.

We want and need these practical suggestions, and full information as to local conditions. The whole idea of national co-operation for such local publicity is new in our associations. We have no set plan, no elaborate prospectus; but are beginning with these first steps, in firm faith that worth-while results (maybe more than any of us imagine) can be worked out step by step, if all of us put our heads together and our shoulders to the wheel.

CHARLES W. SCOVEL,

Chairman National Press Committee.

NEW FEDERAL INCOME TAX BRINGS TO LIGHT IMPORTANT QUESTIONS.

Alfred Hurrell, Attorney for the Association of Life Insurance Presidents, Files Memorandum with the Revenue Bureau Discussing Various Points with Relation to Companies Withholding One Per Cent. of Certain Payments.

Beginning with the first day of this month, life insurance companies must withhold, in behalf of the Federal Government, one per cent. of certain payments made by them to individuals. This is required by the Federal Income Tax law, which provides for withholding taxes at the source. The companies are now trying to determine what classes of their thousands of transactions with policyholders, agents, officers and others will come within this requirement. The Internal Revenue Bureau of the Treasury Department at Washington is busy preparing rules and regulations for the guidance of corporations and others affected by this administrative feature of the law. The Association of Life Insurance Presidents recently filed with the Revenue Bureau a memorandum, prepared by Alfred Hurrell, the association's attorney, discussing various points which have come up for consideration.

Mr. Hurrell's memorandum is as follows:

Memorandum Concerning Income Taxes That Should Be Withheld by Life Insurance Companies on Payments Made by Them After Oct. 31, 1913.

Life insurance companies will be confronted on Nov. 1, 1913, with the question of what taxes must be withheld by them under the new Federal Income Tax law on their daily transaction with policyholders and others, numbering in the aggregate many thousands. The importance of correctly and accurately understanding and applying the provision of this law requiring taxes to be withheld at the source can scarcely be overestimated. Such a provision is an innovation in this country and inevitably much misunderstanding and friction will abound in its operation for a time at least. However strong the legal obligation on corporations to withhold the tax when paying income to third persons, the tendencies of those who must submit to the deduction will be to criticise and complain of the corporations and the Government alike regarding taxes so withheld. Hence the importance of avoiding as much of this irritation as possible by early and well-considered rulings and instructions.

In the case of life insurance companies, with their millions of policyholders and the multifarious payments that are made annually under many forms of insurance contracts, it is a matter of great concern that confusion and annoyance should be avoided by correct initial construction of the act by those charged with the duty of enforcing it.

Rule of Construction.

To get at the true meaning and intent of the law in question, we need first to free our minds of all preconceived ideas (if we have such) in order that we may take the language as it is written and seek to apply to it the rules of construction by which a court would be bound to construe it. Any other course will bring only confusion, controversy and probably in the end litigation, under which every one will be brought back to the legal point of view which should have been taken in the beginning and which must ultimately prevail.

Payments to Policyholders and Their Classification.

In dealing with the matter of withholding the tax we need to consider only those cases where life insurance companies are required to pay out money to individuals. As the bulk of their payments are made to their policyholders, and as it is with their relation to their policyholders that companies are chiefly concerned and with whom there is the greatest danger of misunderstanding, we will discuss this class of payments before touching on others.

The query then is, when and under what circumstances must taxes be withheld on payments by life insurance companies to policyholders or beneficiaries?

Now, what are these payments in the main?

1. Death claims or proceeds of life insurance policies paid upon the death of the person insured.
2. Matured endowments paid to the insured at the maturity of the term mentioned in the contract.
3. Surrender values paid in cash to the insured upon the surrender of his contract.
4. Annuities payable during the life of the annuitant.
5. Annuities payable for a term certain (not involving a life contingency).
6. Premium refunds or so-called "dividends" to policyholders.
7. Interest paid on moneys left on deposit with the company.

Death Claims, Endowments and Surrender Values Not Annual Income Within Meaning of Paragraph E.

Turning now to paragraph E we find that life insurance companies are required to deduct and withhold the tax upon payments which constitute fixed or determinable annual income of the payee when such payments exceed \$3,000 for any taxable year. It requires no argument to show that a single payment of either (1) the proceeds of a policy, or (2) a matured endowment, or (3) a surrender value, cannot be classed as a fixed or determined annual income. Each is merely a lump sum payment in discharge of a contract obligation which, from the very nature of the transaction, cannot recur and which, therefore, cannot be regarded in any sense as an annual or even a periodical gain of the recipient. To quote the word of the law used in paragraph B, such payments are not annual income, that is, "fixed or certain," but are distinctly "irregular as to the amount or time of accrual." We will discuss later the question as to whether these three classes of payments or any of them may be taxed in whole or in part as income of the insured or his beneficiaries. At this point we urge only that no tax upon such payments need be withheld by life insurance companies since none of such payments constitutes a fixed or determinable annual income of the person receiving the same, as would be required to bring it within the provisions of paragraph E.

Paragraph E Is Modified by the Provisions of Paragraph B

This brings us to the second group of payments to policyholders consisting of (4) annuities for life, (5) annuities for a term certain, (6) premium refunds or so-called "dividends" to policyholders. These payments come within the provision of paragraph E as being "fixed or determinable annual gains, profits and income," hence, if in excess of \$3,000 they would come within the provision requiring the tax thereon to be deducted and withheld by the company paying the same, were it not for the fact that by paragraph B they are specifically exempt from the law and are not to be included in the taxable income of the persons receiving same. This provision (in paragraph B) says:

"Payments made by or credited to the insured on life insurance endowment or annuity contracts upon the return thereof to the insured at the maturity of the term mentioned in the contract or upon surrender of the contract shall not be included as income."

We note first that payments made on "annuity contracts" are specifically enumerated in the language just quoted; that dividends or premium refunds are payments made "on life insurance contracts" and are generally specifically provided for by the terms thereof.

Annuities Wholly Exempt Under Paragraph B.

Perhaps it will be best for us to discuss separately the classes of payments just referred to. The specific mention of annuities in paragraph E among other payment items on which the tax must be withheld leads us to consider whether there is a conflict between this requirement and the exemption given to payments on annuity contracts in paragraph B as quoted above. It seems clear, however, that what was intended was to draw a distinction between payments on annuity contracts by life insurance companies

and payments of other kinds of annuities such as arise by reason of gift, trust deed, demise or bequest. We may assume that the tax must be withheld on the class of annuities last referred to, and yet as to payments made by life insurance companies under annuity contracts issued by them no tax need be withheld, because under paragraph B none must ultimately be paid by such annuitants.

The suggestion that life insurance company annuities may be taxable in part and exempt in part leads us to consider the words "payments made by or credited to the insured on * * * annuity contracts upon the return thereof to the insured." It has been urged that the use of the words "return thereof" indicates that only such annuity payments or parts of payments as represent moneys paid as a premium by the policyholder to the life insurance company are exempted under this provision. This argument might have some force were it not for the use of the words "or credited to." These words seem to indicate that not only payments made by the insured, but payments of interest to the company which have been credited to the insured will be exempt when paid to the policyholder. This view of the matter covers the entire fund out of which annuity payments must be made, since the fund is made up solely of payments of premiums to the company by policyholders and payments of interest to the company which in turn are credited to policyholders. In other words, the funds which life insurance companies hold for the payment of annuities are made up of payments by the insured plus payments credited to the insured. Viewing the matter, therefore, from an insurance company's standpoint, it would seem that the words "return thereof" can mean nothing more than "the payment thereof," so we reach the conclusion that all payments made by life insurance companies on annuity contracts shall not be included as income of the annuitant.

Same Rule Must Apply to Dividends.

As to premium refunds or so-called "dividends" to policyholders, we feel that much the same argument must prevail as that which we have used with reference to payments of annuities. Dividends are clearly the return to policyholders of the excess funds created by their premium payments beyond what experience has proved the cost of their insurance to be. Life annuities they mature in instalments, and are, therefore, payments at the maturity of the terms mentioned in the contract. There is no limitation of the exemption to sums of less than \$3,000, so we must conclude that the exemption extends to annuities and dividends to policyholders regardless of the amount paid in each case.

If it be claimed that dividends to policyholders are paid in part from the net earnings of insurance companies, as some have contended, and as such are taxable as income of policyholders, we would call attention to the seventh deduction permitted to individuals in computing net income for the purposes of normal tax. This provision says that "dividends * * * from the net earnings of any * * * insurance company which is taxable upon its net income as hereinafter provided" shall be deducted. There can be no doubt but what insurance companies are taxable under paragraph G upon their net income computed in the manner which the statute prescribes. So we find that whether we view a life insurance dividend to a policyholder as a refund in part of his premium or as a payment to him of a portion of the net earnings of the company, the dividend is wholly exempt as income of the policyholders.

Tax of Small Interest Payments to Policyholders Need Not Be Withheld.

Dealing now with (7) payments of interest on moneys left on deposit with life insurance companies, the question arises as to whether the tax should be withheld under the provision in paragraph E requiring the tax to be withheld on interest "upon bonds and mortgages, or deeds of trust or other similar obligations" although such interest does not amount to \$3,000. Obviously the ruling of the Department will have to turn on the meaning of the words "similar obligation," because a deposit left with a company under

the provisions of a life insurance contract cannot with accuracy be described as either a bond, a mortgage, or a deed of trust, nor do we believe that it can be called *similar* to such obligations.

It will be illuminating to review the history of the clause which requires interest to be withheld at the source on "bonds and mortgages or deeds of trust or other similar obligations of corporations," etc. As it originally appeared in the House bill it covered not only interest on secured obligations such as bonds, mortgages and deeds of trust but also "other indebtedness" of all corporations, including life insurance companies. When the bill reached the Senate this provision was amended to read "bonds and mortgages or deeds of trust or other obligations," the word "similar" not having been inserted as yet. It was only when the Conference Committee came to deal with the matter in its final work of perfecting the bill that the word "similar" was inserted with the plainly evident intent of confining the withholding of the tax on small interest payments of corporations to obligations like bonds, mortgages and deeds of trust, though perhaps not called such by name. Knowing as we do that these amendments restricting the scope of this provision were inserted from time to time for the very purpose of meeting the criticism of the hardship that would result in having the tax withheld on numberless interest payments of very small amount, particularly payments made by life insurance companies on deposits left with them, pursuant to the terms of life insurance contracts, we cannot escape the conclusion that it was the intent of Congress to exempt these payments from the deductions imposed on general corporate obligations.

Tax on Payments to Life Agents Should Not Be Withheld Because Such Incomes Are Not "Fixed and Determinable."

We come now to the consideration of compensation paid by life insurance companies for services of various kinds. No question is raised as to whether the tax must be withheld on salaries to officers and employees in excess of \$3,000.00 per annum, such salaries being strictly within the designation of "fixed or determinable annual gains, profits and income." The question does arise, however, as to whether the deductions to be made on payments on November 1st and thereafter shall be merely the tax accruing on salaries for the last two months of the year or must include the tax on salary income for the eight months preceding November 1st. We presume this question will be determined with reference to business interests generally, so make no special comment upon it in behalf of life insurance companies. We do urge, however, that the matter be considered and that definite instructions be given so that life insurance companies may clearly understand what their duties are in this respect.

Life insurance companies sometimes compensate brokers acting for them in connection with the purchase or sale of securities on a commission basis, while attorneys representing them in legal matters and physicians making examination of applicants for insurance are usually compensated on a fee basis. Compensation under such cases is dependent upon the services rendered and, as we take it, comes clearly within the classification of income described by the statute as being "not fixed or certain," but is "indefinite or irregular as to amount or time of accrual." For this reason we assume there will be no doubt that life insurance companies will not be required to withhold the tax upon such payments. However, a definite ruling to this effect is desirable.

When it comes to the matter of compensation paid to agents, we believe the answer must be the same, though the relation is not quite the same and the circumstances are more varied. There are comparatively few instances in which compensation to agents is on a straight out-and-out salaried basis. To the extent such cases exist they would, of course, come under the provisions requiring the tax to be withheld. But speaking generally, agents and managers of life insurance companies are compensated by commissions arising

from the placing of new policies and by renewal commissions paid on policies previously written, during the period which such policies remain in force. In some instances a nominal salary or guarantee is paid in addition to commissions and collection fees. Nearly every general agent receives payments of commissions on policies turned in through his sub-agents, which payments represent in no sense his individual income but are, in fact, commissions which he in turn must pay over, largely if not entirely, to the sub-agents who wrote the business. The magnitude of these transactions and the injustice that would arise from withholding a tax upon the aggregate sums paid to general agents is illustrated by pointing to one agency which employs more than three hundred sub-agents and whose commission transactions with the home office amount to hundreds of thousands of dollars annually. It may be said as a general matter that the life insurance companies do not know and have no means of finding out with accuracy how much of the gross payments made by them to their general agents are in fact net income of such agents, as net income must be computed under the Income Tax law. In other words, a large proportion of these general agents are independent contractors so far as their home offices are concerned, and to require the companies with whom they have agency contracts to withhold the tax would do the agents a great injustice and burden the companies with an elaborate accounting all to no purpose.

A Problem.

From the very nature of the subject agents' commissions and percentages are not "fixed or determinable annual gains, profits, and income." They cannot be determined or computed in advance. It cannot be said how many new policies an agent will write in any given year. It cannot be foreseen how many old policies will be renewed or collected in any given year. At best the most that could be given would be an intelligent guess, and in no proper sense could the result thus attained be said to be "fixed or determinable." Indeed, when we consider the fact that the companies do not know how much of the commissions actually paid must go to sub-agents or how much of those commissions will go in office rent, carfare, clerk hire and the other innumerable business expenses of the agent, it is easily seen that such commissions or compensation is essentially the opposite of "fixed and determinable."

We, therefore, contend in this connection that the income of life insurance agents (except in those rare cases where they are compensated by salary only) is not fixed or determinable annual income, but is indefinite and irregular in amount and, therefore, does not come within the provision of paragraph E requiring the tax to be withheld at the source.

Ruling Suggested.

It, therefore, seems that for the guidance of life insurance companies the Department would be amply justified in ruling, and should rule, that the tax need not be withheld on payments representing (1) the proceeds of policies (2) matured endowments or (3) surrender values, on the ground that such payments are not part of any fixed or determinable annual income of the persons to whom the payments are made; that the tax need not be withheld on (4) annuities for life, (5) annuities for a term certain and (6) premium refunds or so-called "dividends," for the reason that persons receiving the same are not liable to pay a tax thereon as such payments are specifically exempt from the operation of the law by the first proviso in paragraph B; that no tax should be withheld on (7) payments of interest of less than \$3,000.00 on the proceeds of policies left on deposit, as the obligation thus created is not "similar" to "bonds and mortgages or deeds of trust" as provided in paragraph E, and because it is apparent from the history of the bill in Congress which showed the successive changes in its phraseology that it was not the intention to have the tax withheld on such payments; and further that the tax should not be withheld from payments to brokers, pro-

fessional men and agents for services where such payments are occasional only, or into which the commission of percentage elements enter, for the reason that such compensation is necessarily "not fixed or certain" but is distinctly "indefinite" and "irregular."

Respectfully submitted,

Signed)

ALFRED HURRELL,

Attorney, Association of Life Insurance Presidents.

New York, October 23, 1913.

STRAIGHT FROM THE SHOULDER.

Five Paragraphs of Electrical Inspiration Written for the Man Who Lacks the Quality of Earnestness.

By Robert J. Mix, Manager, Prudential Insurance Co., New York City.

I've watched some of the greatest golf players in the world and I never saw two of them who played the game just alike. There are certain fundamental rules of the game that everybody has to observe—as, for instance, "to keep your eye on the ball" and "to carry through"—but when it comes to the details as to just how a fellow should stand when he addresses the ball and just how he should swing at it—why, I say, I never saw two men who went through exactly the same emotions. Every expert player has his own way of getting the best results.

By the same token you may take hold of a life insurance agent, tell him of the experiences of a dozen or more successful canvassers and explain to him how they close their cases, but the chances are a hundred to one that he will not—probably cannot—get out into the field and duplicate the exact methods of any one of these successful agents. I don't mean to say that I wouldn't think it well to tell the agent how the big men in our calling have achieved success and the methods that they pursue in their daily practise, but I do mean that the real good that these stories are likely to do the agent is to awaken his enthusiasm and start up his own "think tank"—to set him at work harder than ever before along his own best lines of endeavor!

What you want, my friends, in order that you may get to be a bigger man in our business, is to develop your own initiative—your own originality—bring to bear upon the prospect those of your own powers which are most effective—to develop your best mode of attack—not the other fellow's!

I tell you, friend, it's a terribly discouraging thing to try to imitate anybody else in selling life insurance—it's almost a hopeless task! "There are a dozen ways to skin a cat," but there's just one way in which you can do it most effectively, and only one, and that's the method for you to pursue! You may listen to a dozen of the greatest orators in the land and every man of them will make a deep impression upon you, but no two of them will make the same impression in the same way! I'll venture to say that the man who will impress you most deeply will be the man who is most intensely in earnest, and this is where we get down to hard tacks!

A life insurance agent who is in dead earnest—whose heart and soul are bound up in his vocation—who isn't thinking about the commissions he's going to earn if he closes a certain application but about the need that the prospect has for the policy which the agent is trying to sell, and who is exercising his best judgment in the conscientious attempt to fit the policy to the applicant's needs—why, that man will unconsciously develop a system and a method which are infinitely better suited to him than could be the system or the method of any other agent whatsoever, no matter how successful! When all's said and done, there's nothing that creates so favorable an impression, or which is so effective, as earnestness! Have you ever heard a comparatively ignorant man—a man who was homely of feature and even poorly clad—make a speech that moved an audience to tears or laughter? Of course you have, and the reason for it was that the man was chock full of his subject and was desperately in earnest! Why can't you and I practise our own profession in a similar way, my fellow agent? My contention is that if we can't do that we ought to get into some other kind of business without delay!

Life Association News

A MONTHLY JOURNAL DEVOTED TO THE INTERESTS OF ALL
LIFE INSURANCE AGENTS.

PUBLISHED BY THE

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ARTICLE II OF THE CONSTITUTION.

"The object of this association shall be to advance the best interests of the cause of true life insurance."

Address all communications to

EVERETT M. ENSIGN, Editor and Manager.

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Dickens' London pieman, in a moment of supreme confidence and ebullient boastfulness over a rival, with whom he had been arrested for offensive pugnacity, exclaimed to the sitting magistrate: "I'll eat one of my own pies, Your Worship, and that's something he daren't do."

Confidence in that for which you have contracted to dispose of is one of the essential, and perhaps the most important, principles of salesmanship. To no one in the business world should this appeal with greater force than to the Life Insurance salesman. He should not only be himself well insured, but he should be insured, all things considered, in the company he represents and by the policies to which he advises others to subscribe. His confidence in the strength of his company and the worth of its policies are his most tangible pieces of evidence to convince a prospect of his sincerity.

Those who attended the Atlantic City Convention will doubtless recall an incident which gives point to our contention. Hubert H. Ward called the attention of the delegates to the fact that he always advised his agents to insure their own lives before attempting to persuade prospects. Such suggestions are more valuable than they at first seem to be, and often by reason of their simplicity fail to make the impression which it was intended they should convey.

Little more than a year ago there died in New York City an insurance agent who, prior to the Armstrong Investigation, made yearly records which were wonders of the insurance world. When his estate was settled the peculiar fact developed that he carried but \$500 on his own life, and that sum was the measure of the estate he left to his widow and any other dependents who might by reason of family relationship look to her for assistance.

Where did the fault lie? This man was known to be a phenomenal producer; his knowledge of the principles of Life Insurance was thorough; naturally he must have been imbued with an understanding of its obligations. He succeeded with everyone—but himself; he was instrumental in inducing other men to furnish protection to their families, but left his own family destitute.

There is a lesson to be learned from this and its epitome will be found in this: "To thine own self be true, and it must follow, as the night the day, thou canst not then be false to any man."

The agent to whom we have just referred made a conspicuous success in the field by selling to others that in which he had no confidence so far as his personal needs were concerned, but his truly marvelous record of productivity was made before the Armstrong Investigation. Such a record by the same methods could not be duplicated to-day. There are, of course,

Horace Greeley said, "GO WEST, YOUNG MAN." We add, "TO THE PACIFIC WITH WARD." Good opportunities for young men.

**Write H. H. WARD, Pacific Mutual Life,
Title and Trust Building, Portland
Hoge Building, Seattle**

(NOTE—Nov. 1, 1913, we moved our Portland Office to larger quarters in the Title and Trust Building, Portland, Ore. Our Seattle Office remains in the Hoge Building.)

two great reasons for this statement. The Insurance Laws now say "You must not" to many phases of field operations, where but a few years ago they said nothing. The other reason is that with an enlightened public conscience it is a psychological impossibility for a man to attain permanent success unless it is built upon absolute truth and sincerity of purpose.

We have always been taught that things equal to the same thing are equal to each other. All men who are physically eligible, whether rich or poor, bear the same relation to Life Insurance. This relationship does not contemplate the situation from the standpoint of the dollar, but from the standpoint of a principle, assuming that Life Insurance offers the only plan of positive and permanent protection to the families of the country. Therefore, if Life Insurance is good for you, it is equally good for me. Conversely, if Life Insurance is not good for me, it is not good for you.

The attempt to sell Life Insurance by a solicitor who carries no insurance upon his own life is the act of a coward, and he brands himself with the scarlet letter of the Twentieth Century—a symbol which stands for insincerity and hypocrisy. Such a man is a living lie. And it is the insincere solicitor who eventually joins the filthy herd of camp-followers, ready to pounce upon an unsuspecting victim and with the poisoned weapons of his craft accomplish his barbarous purpose.

Certainly the solicitor who recommends a company or a policy in which he has no faith is guilty of the most despicable form of deception, and deception is a habit of vigorous growth. It is the height of absurdity to imagine that one who is untruthful in trivialities, one who wilfully deceives or misleads in small things, will be truthful in matters of large import.

Ignorance Kills Sales.

Experience has demonstrated that more customers are lost through the apparent ignorance of the salesman through hesitancy in replying to questions concerning the goods, or through blundering replies, than for lack of interest in the proposition by the prospective customer. The agent should be required to thus qualify himself before starting out to solicit business, as his willingness and aptitude to learn the details of the business will usually determine his future success or failure.—*American Relief Assurance.*

OFFICIAL NOTICE

To Secretaries of Local Associations:

In order to render the publicity part of our National Association campaign during the next twelve months more effective and to enable the Education and Conservation Committee, also the Press Committee, to determine something as to the extent of the publicity which the National Association, as such, and our local associations throughout the country are able to secure from the daily press and magazines, will you kindly bring the question before your association at its next meeting and arrange for your local committee in Education and Conservation to systematically and continuously forward to Everett M. Ensign, corresponding secretary, 56 Pine street, New York City, clippings of any and all insurance items of publicity and news which may come to their attention, or to the attention of the officers of your association, growing out of your meetings or otherwise. By so doing it will also enable our national committees, and LIFE ASSOCIATION NEWS, to use such articles from time to time as may be of interest to the entire membership.

I naturally assume your association has already appointed a live and effective committee on Education and Conservation. If not, please have such committee appointed. May I further ask that you forward to me by **EARLY MAIL** the names and addresses of your local committee, as this is very necessary in order to complete our entire plans.

Trusting that we may have the fullest co-operation of your association, and that your committee will be able to thoroughly interest the editors of your local press in the above important matter, I remain,

Yours very truly,

ERNEST J. CLARK,
President.

Suggestion vs. Assertion.

By mere chance we recently heard a life insurance solicitor begin his talk to a well-to-do business man prospect, and he went wrong in his very first utterance. He said:

"Mr. Blank, you should carry life insurance!"

Plainly it made about the same impression as though the solicitor had said:

"I am here to tell you what you should do and when you should do it."

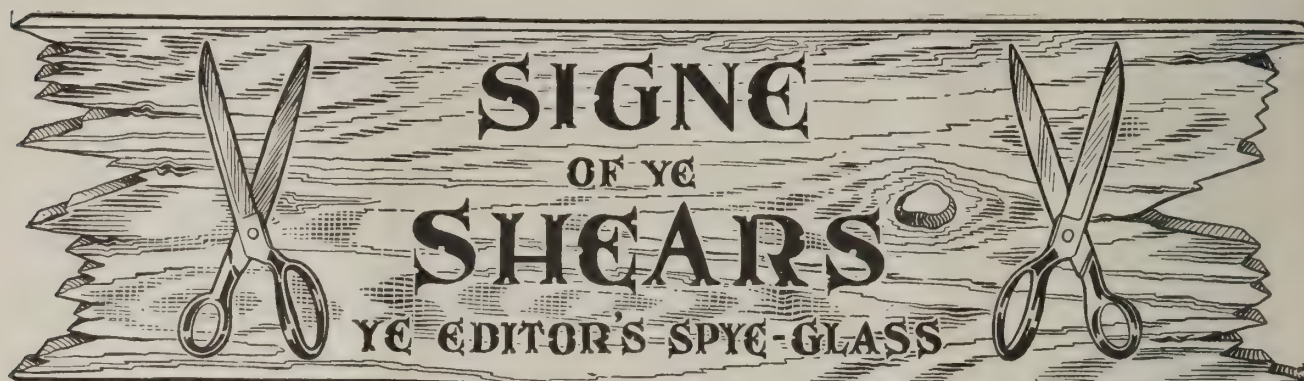
Even the best natured of us don't like that sort of thing.

Suggesting, instead of asserting, a thing, is the safe and sure way of gaining receptive attention for whatever thought we wish to present.

None of us like to be told what we should do.

How much better if the solicitor in question had opened with something like this:

"Mr. Blank, may I for just a moment submit a matter that is of the greatest immediate importance to you?" then go right on with the talk.—*International Lifeman.*



What's in a Name?

Since the year 1596 English-speaking people have, in constantly increasing numbers, generally accepted the belief that any plant or flower of the genus *Rosa* which might be designated by another appellation would affect the olfactory nerves with the same degree of fragrance as that which existed before the misnomer. Shakespeare was to a very considerable degree discourtous, in that he said before us what we would have said had he not said it. But, at any rate, "What's in a name? That which we call a rose, by any other name would smell as sweet."

Is this true? Perhaps not, if one would follow a course of reasoning parallel to certain arguments which recently came to our attention. Indeed, one might call a rose a cabbage, and by reason of the transposition of the names the sweetness of the flower would not only be intensified, but it would suddenly possess all highly desirable qualities it did not have before. Hundreds of years ago the rose was a symbol of secrecy, and when hung up at entertainments was a token that nothing which transpired was to be divulged by those present. Therefore, one might say that this is a subject about which nothing should be said. One might say that, but hundreds would call it a *reducio ad absurdum*, and in this view we concur.

The reasons for our comment will be found in an able editorial which appeared in a recent number of an insurance journal which objects to the word "agent." "The Surveyor" says, "The word 'agent' as a descriptive term is one that should be discarded by the life insurance world." While it would be execrable professional taste to agree with the editorial expressions of any other publication, we must admit that the article in question contains much food for thought, consequently it is reproduced herewith:

The word "agent" as a descriptive term is one that should be discarded by the life insurance world. It does not comport with the modern conception of the real function of the life insurance advocate, and conceals the social significance and value of that function. This is not because the word "agent" lacks anything of honorable import, but rather because life insurance has risen immeasurably above the somewhat narrow and exclusively business atmosphere implied in the word as generally accepted in the public mind.

The realization of the higher and more universal character of the work of propagating the spread of real life insurance, furnishing the reason for discarding the word "agent," also furnishes the reason for the existence of "life unwerwriters' associations," composed of those who are in that work. The degree in which this fact is understood by the individual life insurance advocate in the field forms an index of his character and mental attitude toward the work in which he is engaged. Consequently it can be truly said that those who are earnest in the organization and maintenance of these associations evidently understand that the verities demand a larger repute for the life insurance advocate, a repute that will readily ensue when all, or most, of such advocates have attained to a deeper realization of the dignity of their work and a

commensurate respect for it in their own minds. Some one anciently said that the world accepts men mostly at their own valuation.

One can imagine an agency superintendent asking a new man, "Do you want to be a life insurance agent or a life insurance advocate?" But this kind of a question should be impossible in life insurance. Can you imagine the State Regents asking a candidate for a physician's course, "Do you want to be a quack or a physician?" At banquets and other formal gatherings of men the professors of medicine are voluntarily given places of honor in recognition of the honorable character of their work. The real life insurance advocate is a social physician, an opponent of the diseases of poverty and ignorance that afflict the body politic. His honor should be at least as great as that of the physician, and will become so when he is sufficiently convinced of it himself, so as to convince all other men.

Therein is the deep necessity and purpose of associations of life insurance advocates. To the trivial man, or the man who looks upon life insurance merely as a business, this does not appear. The difficulty is that there are so many men in life insurance who will not be convinced of the dignity of their work. The hoped-for professionalism does not appeal to such; when asked to join a local association they ask, "What benefit will it be to me?" Their little "me" looms large in their own minds, and they think they cannot bother with ideals or with the general benefit.

The practice of medicine arose from being merely a business of charlatanism and quackery, when those in it who realized what it should be insisted upon the dignity of its human benefit and the necessity of hedging it with the requirement of special knowledge and qualification.

The men who belong to the associations are those who personify the insistent thought that the human benefit in the advocacy of life insurance will ultimately cause it to become recognized as a profession, and who are trying to arouse all their fellows to an essential appreciation of the dignity of the work. They are the pioneers clearing the ground for a better future. It is worth while to belong to such a company of courageous spirits. It also may be said that, somehow, or other, prosperity always attaches itself to earnestness.

A Thriftless Nation? Yes! No!

If there were such an invention as an economic seismograph which would register the various fluctuations of economy and extravagance of the people of America; if science had devised a gigantic stethoscope with power to convey to our ears, and to analyze, the dismal wail of poverty and the hysterical shrieks of the millionaire joy-rider; THRIFT might then be reduced to a calculable basis, and we might be in a position to accurately determine whether or not as a nation we were guilty of the charge of the lack of it.

The *Pittsburgh Dispatch* says that American life insurance is the answer of the American people to the charge of lack of thrift. It is seldom that a daily newspaper attempts to

prove an assertion and by the nature and character of its arguments advanced in support of its contention, casts a boomerang at its readers, which returns and demolishes the structure of which it was originally a part. Doubtless the *Pittsburgh Dispatch* published the article to which we have reference with the altruistic purpose of calling the attention of the public to what life insurance had accomplished and what that institution is prepared to accomplish so far as the saving of dollars is concerned. In that respect it did life insurance and the public a good service. The *Dispatch* said, in part:

"John W. Gates' yellow dog was so accustomed to being kicked that he walked sideways. There is some danger of Americans walking sideways on the charge of lack of thrift.

"Are we such a thriftless nation? We are spending more than we ought to in government, particularly in Nation, State and city. Undoubtedly, too, there are too many people who wish to enjoy a \$5,000 a year expenditure on a \$2,500 a year income, and to sport an automobile on a street car salary. But no less certainly there are offsets. What about the ten million individuals who have more than four and a half billion dollars in the savings banks of America—a billion more than any other nation in the world? And above all, what about the twenty-five million life insurance policyholders depositing some two million dollars every business day of the year—a savings for their own old age or for their families after they are gone—to the extent of some \$35,000,000,000?"

"When some other country points the finger of criticism at Uncle Sam, let us remember that American husbands and fathers are showing a sacrificing love for their families greater in extent than the people of Great Britain, Germany, France, Russia, Italy, Spain, the rest of Europe, Asia, Australia, Africa and South America all put together. After all, what safer, more conservative method of saving could be devised? What financial program could the individual follow to the better advantage of his family and the community? American life insurance is the answer of the American people to the charge of lack of thrift."

In the absence of a better medium of comparison, thrift may be roughly calculated as the difference between individual income and individual expenditure; the difference between necessities and luxuries; the difference between economy and extravagance.

Now how as a nation do we stand? While it is true, as the *Dispatch* says, we have on deposit in savings banks \$1,000,000,000 more than any other nation in the world, how does this figure out individually in comparison to the people of other nations? A writer in *The Investors' Magazine* claims that only 99 out of every 1,000 of the people of this country have deposits in savings banks, while in other countries the proportion per 1,000 inhabitants is as follows: Switzerland, 544; France, 346; Germany, 317; England, 317; Japan, 270; Italy, 220.

The *Dispatch* calls attention to the twenty-five million life insurance policyholders, which represents a total of \$35,000,000,000.

BUT the *Dispatch* makes no mention of the fact that we spend yearly for tobacco as much as we spend for insurance premiums; half the amount of our premiums for candy, and two and one-half the amount of premiums for alcoholic liquors.

No, the *Dispatch* says nary a word.

Did you ever stop to think that the men, women and children of America are protected against all future contingencies to the miserable extent of only \$200 per capita?

It's true, and we believe we richly deserve the charge which *The Pittsburgh Dispatch* attempted to refute.

A Bridegroom's Policy.

Elbert Hubbard has a solution to the problem of the eugenic marriage. He believes, or says he believes, that every man, before the marriage ceremony is performed, should present to the prospective bride an insurance policy on his life. The Fra works in the eugenic idea in this manner: "A life insurance policy implies the health of the individual, and all medical examiners will understand and appreciate the importance as well as the import of 'A Bridegroom's Policy.' If a woman gives her life into the keeping of a man, why should not the man in return give her at least a policy on his life?"

Mr. Hubbard's suggestion reminds us that this is quite a common practise among the Italians in New York's East Side. Father Curry, of St. James Parish, was recently interviewed by a reporter from the *New York Sun* and the subject of marriage came up.

"You have been in the marriage business a long time—that is, not only wedding but bringing about weddings," the reporter suggested.

"Oh, yes," the priest remarked with a cheerful twinkle. "It is an old story with us. Of course we encourage fitting marriages as much as we can. I favor healthy marriages only, to be sure. Health certificates would be an excellent thing.

"I have noticed that the Italians among us have a tactful way of managing that. The Italian father and mother ask the young man who seeks their daughter if he is insured.

"If he is not they urge him to take out insurance before the wedding and sometimes they insist upon it. They put the argument for it on the usual grounds, the risk of his dying suddenly and leaving his family penniless. But what they are often most concerned about is insurance as to the suitor's good health. They feel satisfied that if he can get insurance there is nothing serious the matter with him.

"Now that seems to me a happy way of dealing with a delicate problem to the satisfaction of all hands and the embarrassment of none."

Society to Teach American People Thrift.

The American Society for Thrift has begun a national campaign from its headquarters in Chicago. S. W. Straus, a banker of New York and Chicago, is chairman of the organization committee. The plans of the society, as announced a few days ago, have been well worked out in advance, and will include courses on thrift in public schools, colleges and universities, together with discussions of the subject by commercial organizations from its economic standpoint and the preaching of thrift in the churches from its moral aspect.

We have before us the names of the members of the organization committee, and, strange as it may seem, in view of the plans and purposes of the organization, we fail to see the name of a single man prominently or even remotely identified with life insurance; that is to say, legal reserve life insurance. On the other hand, we do find assessment insurance represented by Charles E. Piper, one of the leading spirits of the National Fraternal Congress of America. Legal reserve life insurance has evidently lost a trick at the very beginning of this project. One would imagine, however, from the bulletin recently issued by Mr. Straus, that legal reserve life insurance will have an opportunity to present its arguments in this organization if it desires an opportunity to do so. In support of this we herewith quote a paragraph from the bulletin just referred to:

"It is the plan to make the personnel of the Board of Advisory Council of the society nationally representative. All industries, trades, charities and philanthropies will be represented. All representative bodies will be asked to co-operate to discuss thrift."

What the Local Associations Are Doing

Life Association News has no paid correspondents. We depend entirely upon the secretaries of local associations to send us stories of all meetings of their respective associations. If an account of the last meeting of *your* association does not appear in this department, ask the secretary of your organization why he did not send us the particulars.

Immediately after each meeting, on the same day if possible, secretaries of local bodies should send us a full account of the business transacted, including copies of all speeches, or extracts from the most important of them.

Baltimore.

The regular monthly meeting of the Baltimore association was held in the board room of the Mutual Life Insurance Company of Baltimore, at 12:15 p. m. on Tuesday, Oct. 28. There was an unusually large attendance, and a most interesting program, consisting of reports of the delegates to the Atlantic City convention and a discussion under the head of 'New Business' of the educational work as proposed by the National Association and applicable to the educational institutions of Baltimore. The local committee on education and conservation presented a letter from the Baltimore Young Men's Association requesting the Baltimore Life Underwriters' Association to introduce a full course of lectures in life insurance in connection with their educational department. In the course of the discussion President Clark, of the National Association, not only urged the committees to comply with the request of the Young Men's Christian Association, but also to at once introduce, if possible, a similar course of lectures in the Baltimore City College, also Baltimore Polytechnic Institute, both of which institutions have large student bodies. Mr. Clark's recommendations were immediately endorsed by a motion which received the unanimous support of the association.

The question of local publicity through the columns of the daily press of news items and educational articles was also discussed at considerable length. It is the desire of the Baltimore association to ultimately make Baltimore a life insurance educational center, and their local committee will undoubtedly work to this end.

Boston.

What was evidently one of the most enthusiastic meetings of the Boston association, was held on the evening of Oct. 28, in the Salla Italiana of the Cafe Bova. This was the annual fall business meeting and election of officers. Preceding this, however, a business meeting of the association was held at the Home Office of the Columbian National at 5:30 P. M. The reports of the various officers showed

the association to be in splendid financial condition. The following officers were elected: President, Clarence C. Miller, National Life; vice-presidents, Vernon B. Swett, Provident Life & Trust, and Franklin W. Ganse, Columbian National; secretary, Leon F. Foss, Berkshire; treasurer, Edward March, John Hancock. Executive committee—Elmer E. Silver, chairman, Union Central; A. S. Browne, New York; Ashton F. Carter, Northwestern Mutual; F. A. B. Stanton, Massachusetts Mutual; Richard O. Walter, Equitable.

Retiring President Silver expressed his thanks to the members for co-operation during the year and President Miller, who was escorted to the chair by Messrs. Gammons and Stratton, voiced his appreciation of the honor.

Mention was made by F. C. Sanborn of the retirement of Francis Marsh as treasurer of the association, after serving in that capacity thirty years. It was the consensus of opinion that Mr. Marsh should receive some testimonial from the association evidencing its appreciation, and the matter was referred to the new Executive Committee. Several new members were admitted.

The banquet was served in Italian style and accompanied with Italian songs and chorus singing by the entire membership. Retiring President Silver acted as toastmaster and reviewed the work of the year, paying considerable attention to the substantial gain in membership. President-elect Miller spoke on the possibilities of the association movement in the future.

F. Spencer Baldwin, Dean of the College of Business Administration at Boston University, was one of the formal speakers and had as his subject, "The Present Trend Toward State Insurance." In closing, he said:

"I can conceive of only one thing which in the face of the objections to State enterprise in this field might bring about a general movement toward State insurance. That is some 'bad acting' on the part of the insurance companies in the way of an exhibition of indifference to their obligations and responsibilities and disregard of the interests and demands of the public. It would be unfortunate if the behavior of the companies should be such as to furnish encouragement or justification for experiments with State insurance. I believe that we should go very slow in this country in the direction of State socialism. In my opinion, the remedy for the abuses that have developed in connection with American industrial enterprises is to be found through measures of legislative regulation rather than governmental administration leading toward socialism. The aim should be to eliminate these abuses, while retaining the fundamental principles on which our 'industrial system now rests—principles vital to social order and progress—namely, private property and enterprise, individual initiative and independence, personal freedom and responsibilities.'"

Ten minute addresses were made by four of the delegates to the Atlantic City convention. Vernon B. Swett had as his subject, "What the National Association Means to the Industrial Solicitor," while Ashton F. Carter discussed "Life Income Contracts." J. Everett Hicks spoke upon "Three Essentials of Successful Life Insurance Salesmanship," and Franklin Ganse gave some interesting facts on "Efficiency Methods."

Buffalo.

Charles Warren Pickell, of Detroit, manager of the Massachusetts Mutual in that city, entertained the members of the Buffalo association with a breezy talk on "Efficiency" at their October meeting and luncheon at the Hotel Iroquois.

Mr. Pickell, a forceful and interesting talker, complimented the Buffalo underwriters on their live association. He said that never since the beginning of the association idea back in 1896 had he seen a time when it was more widespread and active than at present, and he predicted great things for the business. He recalled the days when rebating, misrepresentation and other evils marked the work of competing insurance men.

"There are three great factors in efficiency," he said. "First

of all it is supremely important to figure out how to eliminate waste. The three factors in which this must be developed are time, labor and skill. And the man who will make good as an insurance man is he who combines the three elements of personality—intelligence, will and sensibilities, the man with the heart for his fellow men."

Mr. Pickell said that friendship enters more into the insurance business than into any other, and told some interesting anecdotes along that line. He closed with an earnest plea for brotherhood of the right kind.

On motion of Comptroller William G. Justice, the insurance men voted thanks to Mr. Pickell, and Frank W. Tracy, president of the association, spoke briefly in the name of the organization. Charles W. Fielder, who was a delegate to the Underwriters' National Convention at Atlantic City, gave a report on the convention.

Capital District.

The Capital District association started off this season by holding its October meeting at Albany on the 20th of that month. The principal speakers were C. R. Tripp, who presented a résumé of efficiency methods as discussed at the Atlantic City convention; R. W. Goslin took for his subject "Local Associations," which subject was one of the five minute topics at Atlantic City. Secretary William B. Phelps was another speaker and his subject was "Kernels from the National Convention."

One of the most interesting features of the meeting was a demonstration sale by H. H. Bennit, Mutual Life, for \$25,000 Ordinary Life plan to Jacob Herzog, assistant cashier of the National Commercial Bank of Albany, and the demonstration sale of a policy with income at age of 65, by C. C. De Rouville, Penn Mutual, with Harry Appleton, Deputy Superintendent of Insurance of the State of New York, as the prospect. President Henry H. Kohn was the last speaker and he made brief but striking references to the Atlantic City convention.

Chicago.

Twenty-nine members were admitted to the Chicago association at its October meeting and an aggressive campaign is being made to secure one hundred more members prior to the next meeting. The meeting was held at the City Club on the evening of Oct. 23.

There was a committee appointed at the April meeting to prepare amendments to the Constitution and By-Laws and this committee made its report recommending certain amendments which recommendations were adopted. Under these amendments the Executive Committee pass upon new members instead of electing them individually by means of a ballot box. The latter plan worked satisfactorily years ago when it was an unusual occurrence to have more than five of six names voted on at one time, but in view of the large number of members now being taken in at the various meetings, it was deemed inexpedient.

An ovation was given Hervey S. Dale when the announcement was made of his election as treasurer of the National Association.

Jules Girardin discussed the Atlantic City convention, giving particular attention to the plans of the Committee on Education and Conservation, of which committee he is a member. Mr. Girardin was optimistic in his views as to the success of the project and in the course of his remarks said that the company which he represented was prepared to refuse a license to an agent who had not become a member of a local association.

P. J. Krause also spoke on the annual convention and urged aggressive plans for increasing the membership to one thousand.

Rufus N. Potts recently elected Superintendent of Insurance of the State of Illinois, was the principal speaker and his address was largely devoted to the necessity of teaching life insurance in the public schools. Mr. Potts was unalterably opposed to State insurance and gave strenuous reasons in support of his views.

F. W. Potter, the former State Superintendent of Insur-

ance, was the next speaker and reviewed the improvements which had been made in field practices during the last few years.

President Isaac Miller Hamilton, of the Federal Life, represented the American Life Convention in the absence of Secretary Henry Abels, of the Franklin Life, who is president of the American Life Convention.

Darby A. Day, Chicago manager of the Mutual Life of N. Y., was the last speaker on the program and urged a greater degree of good fellowship and a more sincere belief in the principles of the association movement.

Cincinnati.

Members of the Cincinnati association and guests to the number of fifty recently heard Henry Moir, actuary of the Home Life of New York, on "What Is the Source of Success?" The address was delivered at dinner at the Business Men's Club, on Oct. 28, and was considerable of a revelation of the psychology of salesmanship and especially of the salesmanship of life insurance.

Mr. Moir was in the city to give a lecture at McMicken Hall, University of Cincinnati, in the course of study of the principles of life insurance worked up by W. A. R. Bruehl, Jr., of W. A. R. Bruehl & Son.

Mr. Moir laid down the principles of success in the business which will apply also to all business and success in other pursuit and in all walks of life. The principles of the one are complimentary to the principles of the other. The underlying principles of success in general were stated to be personal magnetism, confidence, persistence and stubbornness and honesty.

Under the head of magnetism Mr. Moir gave some credence to the Christian Science teaching of "malevolent or malicious magnetism," and said that there might be some scientific basis for such a permeation of bad thinking and malicious spirit. The matter of magnetism was likened to the operation of electricity in wireless telegraphy and influenced kindred spirits wherever they might be reached by the personality. In no other way, the speaker believed, could the success of great salesmen and great promoters be explained.

Confidence of the salesman in his goods, confidence of the prospective buyers in the salesman, confidence in the company behind him, confidence in the value of the product, and general confidence, he maintained, was the great factor in salesmanship which could be created at will in many ways.

The greater the amount of confidence that can be created in the mind of the salesman and reflected from his mind to the mind of the prospective buyer, the greater the chances for selling the goods. Confidence was described as the cornerstone of all business and the engine by which business is carried on. It is necessary first to gain the confidence of the buyer, in fact, in order to get a hearing on the merits of the goods. Without confidence personal magnetism would be powerful only when subject and operator would be in contact.

As an aid to the above mentioned factors the speaker gave persistence a high place. He called it "stubbornness" and could have called it "positiveness," "determination" and "indomitable will" as well. He said that persistence as often won the day as any other factor in the game. As a closing and clinching factor he gave strictest honesty, to the point of fastidiousness, as a keystone to the entire salesmanship quality. So honest should the salesman be that he should not even allow his prospective buyer to deceive himself, but he should be given light on every point. This was dwelt on with great force.

Mr. Moir illustrated his points with many anecdotes and stories which kept the crowd in a good humor the entire session.

At the close of the address the underwriters held a business session. W. J. Williams, president of the Western Southern Life Insurance Company, was elected to honorary membership. E. P. Marshall, vice-president of the Union

Central Life Insurance Company, was a visitor to the meeting. Provision was discussed and will be made for the admission of members outside of Cincinnati, within a radius of 100 miles, in Ohio, Indiana, Kentucky and West Virginia.

W. A. R. Bruehl, Cincinnati agent of the Home Life Insurance Company, entertained Mr. Moir while in the city.

Mr. Moir spoke at the university the previous night to the students, explaining the history and theory of insurance.

Cleveland.

The last regular meeting of the Cleveland association was held on the evening of Oct. 29 at the Cleveland Athletic Club, with a fair attendance. Considerable time was given for a discussion of the Atlantic City convention and a report of the advertising committee was presented with regard to establishing a department on life insurance in the Cleveland Plain Dealer and in the Cleveland Leader. J. J. Jackson spoke on "Institutional Advertising." Winslow Russell, agency manager of the Phoenix Mutual, will be the principal speaker at the next meeting, which will be held at the Statler Hotel, on the evening of the 28th inst.

Columbus.

The October meeting of the Columbus association was held at the Hotel Chittenden. Reports of the Atlantic City convention were the principal features of the meeting. Among those who spoke were President B. L. Lewis, B. P. Clement, Joseph I. Behling, Fritz Lichtenberg and H. H. Steiner. Two new members were admitted and the association will attempt to work out some practical plan to minimize the switching of business.

Connecticut.

The Connecticut association held its November meeting at New London on the 7th inst. Four new members were admitted and the principal speaker was F. A. Griswold, whose topic was "Income Insurance." A general discussion of this particular plan of insurance followed.

Delaware.

The Delaware association on the evening of Oct. 29 gave a reception at Hanna's Cafe in Wilmington in honor of National President Ernest J. Clark. Mr. Clark was introduced by City Treasurer James F. Price, president of the Delaware association, who presided. "Arrangements have been made," said Mr. Clark, "to prepare a text book on life insurance for use in the schools and colleges. In the meantime the National Association will introduce courses of lectures on life insurance in colleges and high schools. There are now 43 colleges which have these courses. In Baltimore, Md., recently plans were made for lecture courses in three educational institutions, while the Y. M. C. A. has asked for a course. He asked the Delaware association to appoint a committee on education and publicity. The committee to confer with Delaware College, and, if possible, persuade the faculty to introduce a course of lectures there, to educate the public as to the meaning of life insurance. Up to the present time there has been no concerted action in that direction, because the association did not have the machinery, but now it has the machinery and proposes using it with a vengeance.

Conservation was next discussed. Mr. Clark spoke of the elimination of everything which pertains to the tearing down of the business. He said many lapses could be prevented with an aggressive effort to take care of it. Conservation depends upon educational work. He said the insurance agents can also do a great deal toward the conservation of human life. He said the average age 400 years ago was 18 years. Now the average is 40 years.

Taxation, he claimed, is one of the most important features of the business. In 1860 the tax amounted to 70 cents per \$100; now it is \$2. In Germany there is compulsory insurance, the government contributing \$12,000,000 a year, while here the government takes the \$12,000,000. In England the government exempts from taxation insurance up to one-sixth of a man's income. He thought there should be work

done in the Congress; with the individual members. The elimination of this tax would mean 8 per cent. to the policyholders. He said the last Congress saved the policyholders \$700,000 a year, due to the efforts of the National Association.

He also spoke of the Delaware association, referring to the constitutional amendment admitting non-residents to membership; he urged Delaware to take advantage of the opportunity. This membership carries with it the LIFE ASSOCIATION NEWS. He advocated the formation of a "Cincinnati" club, or, rather, a convention club, which will result in a large representation at the Cincinnati convention next year. He said no man in the business could well afford not to attend.

President Price said that in Delaware last year insurance interests in that State paid a tax to the State of \$40,090.20, while it cost the State to look after this business \$4,012, leaving a difference of \$35,978.08.

City Solicitor Hastings said he had known many life insurance agents and had formed his own opinions of those men; some of those opinions were good and some were not good. He recalled the first time life insurance was taken up with him. He got a bad impression from a misrepresentation made to him, which he afterward found to be untrue. Though it may have been due to ignorance it demonstrated the necessity for being truthful. Mr. Hastings said he first took insurance at the age of 24 and since then he has taken more. He said he was in a number of insurance companies, but he had never dropped one that he had gone into.

Frank Sheppard reviewed the life insurance methods in his experience, which began in 1884. William W. Knox made a brief speech, in which he spoke against the taxation of life insurance.

Detroit.

The November meeting of the Detroit association was held on the 1st inst. at the Elliott-Taylor-Woolfenden Cafe. There was a short business session, after which William B. Marshutz, supervisor of the Michigan Mutual Life, traced the growth of life insurance ethics as related to the field. Mr. Marshutz spoke on the early days of life insurance when there was only one good company in the opinion of a soliciting agent. He referred to the fact that in the days gone by there were practically few laws governing the conduct of the business, and as a result twisting, rebating and other reprehensible practices prevailed. He then outlined the gradual growth of the cleaner methods and paid high tribute to the field solicitor of to-day.

Dr. Andrew B. Biddle, a leading authority on blood and skin affections, delivered an interesting address in which he pointed out clearly the important bearing certain diseases have upon the character of the risk.

C. H. Williamson, Michigan manager of the ordinary department of the Prudential, was elected a member and ten applications for new members were received.

Erie.

As a result of the meeting on the evening of Oct. 20 at the Reed House of the Erie association, the various companies in that city feel drawn more closely in unison. The session was a success from every standpoint. Twenty members attended and the underwriters' work was discussed from start to finish.

The meeting was a regular monthly affair, but being at this time of the year was in the nature of an autumnal reunion. Judge Walling was the principal speaker. He urged closer co-operation. If the many axioms he placed before the association are followed, they will tend to improve the business of life underwriting and will raise it to higher planes.

Addresses also were made by Judge Benson and the Rev. Thomas P. Byrnes, honorary members of the association. Their talks were along the same lines as was that of Judge Walling.

William H. Riley, president of the association, was chairman of the meeting. In a preliminary talk he spoke of the

bonds which bind life underwriting in this city and surrounding counties, which have been strongly cemented recently.

"The various company representatives feel drawn together very much closer and the Erie association will be in a position in succeeding months to carry out the high purpose of the association," he said.

"This purpose," continued Mr. Riley, "is to elevate life underwriting to a higher plane and to make it of true service to the policyholder, assuring him that no misrepresentations will be tolerated and also that he can be assured of the best possible service."

One of the interesting reports of the meeting was that of James M. Dickey, who told of the Atlantic City convention.

Fort Dodge.

The Fort Dodge association met in the regular October meeting in the office of the president, Burton H. Saxton. This meeting was very well attended, though some of the members who had planned to be present, were compelled to be out of the city at the time of the meeting.

The principal feature of the meeting was a paper read by A. E. Wilder, of the Equitable of New York, on the subject, "The Present and Future Status of the Part-time Agent." Mr. Wilder said in part: "The part-time man is no doubt going to furnish one of the big problems of life insurance organization in the future. This subject has most significant bearing on the future status of the full-time man, the interests of the policyholders and of the company itself. The general tendency of the age is specialization in every line. The professional lines have been drawn very fine. The higher the standing of the profession or business (and I personally believe that life insurance deserves to be called a profession), the higher type of the specialist is demanded. There is no business that requires a greater knowledge and a fuller understanding of fundamentals than the business of life underwriting which so vitally effects the individual and the future of his loved ones."

Mr. Wilder stated that there is some question of it being safe to trust the part-time man with the responsibility of advising in so serious a matter as the selection of a life insurance contract. He also claimed that there would naturally be a tendency on the part of a young man who is casting about for the selection of a profession or life-time vocation, to avoid the choosing of a business when he realized that at the same time a license might be obtained by any man, permitting him to follow the same line of work as a side issue and for the sole purpose of making a few extra dollars occasionally. The special question is asked, "Does not the many mistakes and misrepresentations and misunderstandings made through the unintelligence and unreliable part-time man have a tendency to lower the plan of the business?"

From the standpoint of the policyholder, Mr. Wilder called attention to the fact that there is as great a necessity on the part of the policyholder for his exercising of care in the selection of the man on whose advice he relies in the matter of placing his life insurance as there is on the part of the patient in the selection of a physician.

Grand Rapids.

With twenty-three of its members present, the Grand Rapids association held a meeting on the 1st inst. in the Association of Commerce Rooms. H. D. Jewell, former Judge of the Probate Court of Grand Rapids, was the first speaker, and his talk was listened to with close attention. C. H. De Young, of the Prudential Home Office, spoke on "Organization." The association resolved to hold regular monthly meetings the first Saturday of each month. The new officers of the association are as follows: President, S. M. Wright, Equitable Life of Iowa; vice-presidents, A. H. Bennett, Providence Life and Trust, and P. A. Geldhoff, Canada Life; secretary-treasurer, R. E. Billings.

Indiana.

National Vice-president Edward A. Woods, of Pittsburgh, was the principal speaker at the October meeting of the Indiana association, which was held on the 31st of that

month. Mr. Woods discussed "Taxation," and set forth in a convincing and concrete manner the reasons why agents and policyholders should become thoroughly informed on this important subject. He showed the injustice of such a tax, in that it taxed the prudent for their prudence and the conservative for their conservatism and took from them a tax to pay for the ill-spent life of the profligate to inter his remains, support his widow and feed his orphans. On motion of Dr. E. E. Flickinger, Mr. Woods was given a rising vote of thanks. Four new members were admitted.

Iowa.

According to Glover S. Hastings, superintendent of agencies of the New England Mutual, life insurance agents of the future will be more or less handicapped in their profession unless they are college graduates with a solid and scientific education of the principles of life insurance. Mr. Hastings so expressed himself at the November meeting of the Iowa association, which was held on the 8th inst. at the Grant Club in Des Moines.

John C. Clapp, manager of the Prudential, presided as toastmaster. In the course of his remarks Mr. Hastings stated, in part, as follows:

"One of the greatest things to be desired is the opportunity and capacity to do well something of vital significance and value to mankind. We have that opportunity. It is the man behind the rate book and application blank that is responsible for the stupendous growth of the life insurance business. In the last five years the assets of the American life insurance companies have increased \$1,500,000,000. The assets of the savings banks of the country have increased \$725,000,000 in the same time. It shows that life insurance has become the favorite method of saving.

"No field presents greater opportunities for success. Nowhere are there larger fields for progress. But success in our business means preparation. Efficiency is the result of knowledge. The future underwriter will have a college degree and will be trained in the university and the college. A man may have the personality and the magnetism to sell gold bricks, but it takes a well-informed and quick-witted man to be a success as an underwriter. Knowledge is power.

"Imagination rules the world. It is the man who has the imagination to illustrate his point and fit the situation that interests his prospect. One of the unfortunate things of our business is the terms we have come to use. A policy should be termed a contract. Policy suggests a gamble. Arouse the curiosity of your prospects. In the north they hang a lantern on a pole to arouse the curiosity of the deer. The human animal is as curious as the four-footed one. Arouse your subject's curiosity and you can interest him in a policy."

Kansas.

George Godfrey Moore and H. H. Hall reported upon the Atlantic City convention at the October meeting of the Kansas association. This association is still making an active canvass in order to increase its membership. Among other plans discussed were a proposed system of publicity to be carried on through a local news bureau, by means of which news and educational matter will be sent to daily and weekly papers in the State. It is claimed that the Kansas City Fire Prevention Association met with more or less success in working out a similar scheme and the Kansas association will probably give this plan a trial.

Kansas City.

The Kansas City association held its October meeting at Morledge's Fish House, with forty members in attendance. There was a discussion as to the Missouri brokerage law. It was announced that Joseph Goldman, representing the Missouri Insurance Department, reported to Secretary Somerville that many Kansas City life, fire and casualty agents had failed to comply with the law by taking out brokerage licenses. While several hundred agents in St. Louis have complied with this law, few of the Kansas City agents have done so. A discussion of the situation resulted in a decision to take no action, largely because of an unsatisfactory interpretation of the law.

Several new members were admitted and it was decided to plan a number of large meetings during the winter season. Edward A. Woods, Darby A. Day and Warren M. Horner will be invited to address the association at different times.

Knoxville.

In the private dining rooms of the Cumberland Club in Knoxville on Oct. 25, the Knoxville association held its regular monthly meeting. Delegates to the Atlantic City convention reported individually upon the features of the convention which impressed them most, and the life income policy was the subject of considerable discussion.

A resolution was adopted discouraging all forms of field irregularities and calling attention to the laws on the subject. An agreement was made by all agents present to furnish the president of the local body with a complete list of all agents employed by them to aid in any manner whatsoever in securing new business. This was done in order that such agents, some of which are unknown, might not obtain any undue advantage by seeing or hearing a regular agent working with a prospect; also to prevent the employment of agents not regularly licensed by some company or holding proper certificate from the State authorities.

A committee was appointed to devise ways and means for introducing a course of popular lectures on life insurance in the university and public schools.

President J. E. Lutz fired the opening gun for a large attendance at next year's convention in Cincinnati. An effort will be made to enroll every life insurance agent in Knoxville on the membership register.

Lima.

With the largest attendance since its organization, less than two years ago, the Lima association held, on Oct. 14, at the Lima Club its first meeting of the winter season. Thirty members sat down to luncheon.

I. F. Hoffman, Columbus, vice-president of the Ohio State Life Insurance Company, was the principal speaker. He talked upon life insurance from the standpoint of the company. Rill T. Baker, Dayton, general agent of the Union Central, discussed the effect of new legislation. A. D. Hildreth, superintendent of the Lima district for the Prudential, spoke upon the advantages of membership in the Lima association, which covers both Lima and the district for 50 miles around.

Los Angeles.

The October meeting of the Los Angeles association was held at the Sierra Madre Club, and the principal feature was an address made by Martin Kallman, an efficiency expert. National Vice-President John N. Russell, Jr., gave a résumé of the Atlantic City convention and announced that William L. Hathaway, of San Francisco; Hubert H. Ward, of Portland; W. D. Mead, of Seattle, and himself had arranged to offer a loving cup to be competed for by the Pacific Coast associations for an increase of membership.

On Oct. 17 George T. Wilson, vice-president of the Equitable of New York, and Gerald R. Brown, controller of that company, were the guests of the association. President Frank E. McMullen acted as toastmaster.

Mr. Wilson is considered to be one of the brightest after-dinner speakers in the country, and he was in particularly good form on this occasion.

"I have been asked if I am glad to be back in California," said Mr. Wilson. "My answer is 'Do ducks like to swim and do corks like to pop?' And then Mr. Wilson delayed his remarks long enough to repeat the chorus of 'I Love You, California,' and the insurance agents and their wives followed by singing the song for the third time during the evening.

"California," said Mr. Wilson, "is not only blessed by nature but she is shoved along by man. Take that last line

in the song, for instance, 'I love your rugged shores.' I like that sentiment, and I practice it whenever possible.

"But speaking seriously of the work in which you insurance men are engaged, I want to say the results of your efforts have more to do with the happiness of the world than many realize. But for the life insurance policies, thousands tonight would be hungry, half clothed and uneducated. This not only means comfort and enlightenment to those living today, but that influence for good will be passed on to generations still unborn. There is satisfaction in taking up a line of work where every time you land a customer you know absolutely that you are doing him a friendly turn in addition to making a commission. In many lines of business your ability to talk a man into signing a paper may or may not be for his best interests, but in life insurance you always know that the insured will be benefited."

Roger M. Andrews, president of the Rotary Club, and the Rev. Charles Edward Locke also made addresses.

Louisiana.

With a large attendance the Louisiana association held its October meeting on the 28th of the month at Kolb's German Tavern in New Orleans. President Frank L. Levy presided. Wilson Williams, chairman of the Executive Committee, reported upon the work of that committee. The matters of special interest during the year were the action on the proposed income tax on dividends in the tariff under consideration by Congress, Dr. Dowling's plan to secure vital statistics in the State, and the attempt to stimulate interest in the prize essay contest for the cup offered by President Levy.

Secretary-Treasurer T. D. Wharton stated that although there had been a number of resignations, the association had made a gain of two members over the preceding year, now having a membership of thirty-eight active and one honorary member. The financial standing of the association was good.

The following officers were elected for the ensuing year: President, Crawford H. Ellis; vice-president, Wilson Williams; secretary-treasurer, T. D. Wharton, and the following new members were elected to the executive committee: Edward S. Maunsell, W. E. Millsaps, T. P. Thompson and James W. Smither.

Messrs. Williams, Simmons and Wharton gave brief reports of the Atlantic City convention. Mr. Smither urged a concerted effort to increase the membership and suggested that a committee of five be appointed to secure new members. Dr. E. J. Simmons agreed with Mr. Smither and suggested that the association should begin to make an effort to secure the 1916 convention of the National Association for New Orleans. The following committee on membership was then appointed: James W. Smither, chairman; E. G. Simmons, Robert G. Crump, T. P. Thompson and W. J. Hannon. On motion of Edward S. Maunsell a vote of thanks was tendered to retiring President Frank L. Levy for his conscientious and faithful services in behalf of the association.

Louisville.

Prominent members of the Louisville association will cooperate with the Y. M. C. A. of that city in arranging for a course of lectures during the winter on the subject of life insurance. W. W. Dennis and Kilbourne Dennis, both representing the Mutual Benefit, will deliver addresses on "Contract forms, etc.," and Clinton Davis, of the same agency, will discuss "Salesmanship." Former National President Henry J. Powell will also assist by delivering a lecture.

Central Massachusetts.

The Life Underwriters of Central Massachusetts held an enthusiastic meeting on the evening of Oct. 28 at the Tatnuck Country Club, and several new members were added to the membership list.

Henry E. Townsend, Worcester manager for the Massachusetts Mutual, gave a talk on income insurance, summarizing the addresses at the Atlantic City convention. He gave ex-

amples of how money left in bulk sum to beneficiaries frequently got away from the beneficiaries and failed to accomplish the object for which men had made sacrifices in their premium payments. If this was true of life insurance it took away from its value and made it a little better than the leaving of an estate in railroad stocks and other so-called "gilt-edged" securities that failed to pan out or pay the income for which they were purchased. All this uncertainty could be done away with by the taking of proper income insurance, and that was the new mission of life insurance men to call to the attention of the insuring public the possibility and the wisdom of providing for their wives and children a yearly maintenance fund that could be counted upon to be paid to them as surely as the years come round.

Eli Bouchard, special agent for the Equitable Life, gave inspiring illustrations of successful salesmanship on his part, which were well received.

Henry A. Macgowan, general agent of the Mutual Benefit, by special request, delivered an address describing in detail an agency management and field efficiency scheme, which his office had been using with marked success. Mr. Macgowan calls his field scheme "The Life Insurance Solicitors' Record and Reporting System." He gave many illustrations of records and reports and how efficiency and production have been increased, and also spoke of the enthusiasm which the solicitors had manifested in trying the scheme and in renewing their pledges for a continuance of the system. Mr. Macgowan said he would not care to try the system with solicitors unless they were convinced of its helpfulness, and resolved to adopt heartily the generous co-operative spirit the system called for. He also said the best results could be obtained where frequent spirited agency meetings were held. He said further that his hearers were free to adopt his system as a whole or in part or change it over to meet their own needs, or his office would be glad to furnish outfits at a reasonable price. The address was cordially received and the methods will probably be adopted by other offices.

A press committee was elected, consisting of Henry A. Macgowan and the secretary and the president of the association.

Western Massachusetts.

A score of the members of the Western Massachusetts association gathered in the evening of Oct. 17 at the Nelson-Haynes Hotel at Springfield for their monthly meeting and dinner. The following companies were represented: Massachusetts Mutual, State Mutual of Worcester, Berkshire Mutual of Pittsfield, New York Life, Mutual Life of New York, Connecticut Mutual, Northwestern Mutual, Provident Life and Trust, Travelers and Home Life of New York. The chief subject of discussion was the reports on the Atlantic City convention. The speakers were E. M. Allis, of Springfield, general agent for the Massachusetts Mutual, and Harry Chittum, of Easthampton, special agent for the Mutual Life.

Mr. Chittum brought out in detail the advantages of the life income policy, which is now coming into general favor, solving as it does the problem of reinvestment. Particular stress was laid upon this question at the Atlantic City convention. Other speakers were Charles H. Jordan, of Springfield; L. V. Clifford, of Springfield, and J. F. Moran, of Greenfield. E. B. Ranshousen, president of the association and general agent of the State Mutual for Western Massachusetts, presided and introduced the speakers. Five new members were taken into the organization.

Memphis.

"Resolved, that the Limited Payment Life Plan of Life Insurance is more attractive and more beneficial to the insuring public than the Ordinary Life Plan." This was the subject of debate at the October meeting of the Memphis association and was participated in by two members for the affirmative and two for the negative. A general discussion followed. Vice-President J. E. Lippitt was responsible for the subject chosen, as he had been selected to arrange he

programs for the meetings up to the first of the year. Former National Secretary Bolling Sibley was to have given an account of the Atlantic City convention, but was unavoidably detained, so that it was necessary to postpone that portion of the program until the November meeting.

Plans are being made to insure a large attendance at the Cincinnati convention in 1914.

Minneapolis.

Steps were taken at the October meeting of the Minneapolis association to formulate plans for making the regular monthly meetings more interesting and instructive. With that object in view a committee consisting of Messrs. Tift, Ahern and F. C. Butts were appointed to take the matter up and report at the next meeting. Miss Annie Kirkwood and B. E. Ellis gave reports of the Atlantic City convention.

Mobile.

At the regular October meeting of the Mobile association, Leon Schwarz was elected to represent that association on the National Executive Committee. The Committee on Legislation was directed to investigate and to report upon the Florida rebate laws, with a view to advocating similar laws in Alabama.

Nebraska.

The Life Underwriters' Association of Nebraska had as their guest of honor at their monthly meeting at the Commercial Club Saturday noon, November 8, M. A. Hall, a leading attorney of the city.

Mr. Hall is a believer in the institution of life insurance to the extent of a large amount, which he began taking out at an early age. Mr. Hall stated that in his estimation there was no class of men doing so much good for the community as the life insurance men. Continuing, he said that the primary object is always protection, and no difference how meagre an income is, it is the bounden duty of every man to provide for dependents now or those who may be dependent in the future, even though he has to skimp in the early years of his life on living expenses.

Mr. Hall said: "If there is one thing more than anything else which has given me peace of mind and satisfaction in life it is that I had life insurance sufficient to provide for my wife and children in case of my premature death." In his profession he daily sees the destitution of widows, which is a direct result of some improvident man, who, while living, did not sufficiently appreciate the uncertainty of life to "put his house in order."

New York.

With an unusually large attendance, probably due to the inspiration derived from the Atlantic City convention, the New York association opened up the campaign of the season by holding its regular October meeting at Murray's restaurant on the evening of Oct. 28. In a few brief remarks President Edward W. Allen emphasized the necessity of constant vigilance on the part of the members in order to stamp out rebating and other reprehensible practices. It was his opinion that the greatest good in this direction could be accomplished by making an example of an agent who rebated, by imposing the full penalty of the law upon him.

George W. Johnston, who, at the Atlantic City convention, was for the third time awarded the Calef Cup, was introduced by Mr. Allen. Mr. Johnston then read his essay, "Creative Soliciting, Rather Than Competitive." In a few preliminary remarks he explained that the limitations imposed by the conditions surrounding the award of the Calef Cup did not permit of a polished literary style. All that it was possible to do, he said, was to state the facts with little color or grace.

Lawrence Priddy, of the New York Life, was scheduled to give his impressions of the Atlantic City convention, but was unavoidably detained and upon the request of President Allen, Chas. Jerome Edwards spoke in his stead. Mr. Edwards' remarks, though brief, were full of characteristic energy and optimism. In the opinion of the speaker the top

note of optimism was embraced by the twentieth century idea of service. He referred to the address of Royal S. Goldsburly, of Pittsburgh, at the convention and laid stress upon the technical education of solicitors. He called attention to the time spent in fruitless effort and urged upon his audience the necessity of a system of efficiency and the scientific handling of the producing agents time.

Mention was made of the education and conservation movement, and the plans of the National Association's committee which has this phase of association work in hand were explained. Mr. Edwards' remarks constituted a fitting introduction to Winslow Russell, agency manager of the Phoenix Mutual, who was the next speaker.

Mr. Russell's address followed closely the lines of his address at the convention, with the exception that many of the charts used in explaining his methods had been elaborated and included the results of nine months' business instead of six months. The speaker was followed with close attention and expressed himself as perfectly willing to answer any questions which might be asked. His audience was by no means slow in taking him at his word, all of which evidenced the interest taken in his remarks. It developed from one question asked that it was the consensus of opinion that the year 1913 had not been as good a year for business as the preceding year. On motion of Conrad V. Dykeman Mr. Russell was given a rising vote of thanks.

Early in the year the association had made plans for a daily luncheon club, but during the vacation season it was decided advisable to hold this matter in abeyance until activities were resumed in the Fall. At this meeting it was announced that the club was in full operation and had commenced its daily sessions at Haan's Rathskeller at 21 Park Row. The club is meeting with remarkable success and has a membership of forty, with a splendid daily average attendance. A circular was distributed calling attention to the matter and stated in part as follows:

"Getting acquainted" without the loss of time is one of the things that the club accomplishes. A member takes as much or as little time as he likes for lunch; he orders what he

wants and pays for it; gives the waiter a "tip" and is off about his business. In the meantime he has had a friendly talk with two or three or half a dozen life insurance agents, and he has probably become acquainted with some one in the business whom he did not know before. Also, he has found him a much better fellow than he thought he was. If life insurance agents will "get acquainted," a whole lot of good to the life insurance business will result.

Members of the Life Underwriters' Association are especially invited to join, but any life insurance agent who is a good fellow will be welcome as a member. No pledge is required except to attend once a week, or pay twenty-five cents for non-attendance. This is done so that the attendance may be somewhat regular. Attendance is appreciated much more than fines.

Life insurance men who are desirous of joining this club should apply to President Allen, whose address is 220 Broadway.

Norfolk.

At the regular October meeting of the Norfolk association, J. R. Coupland, of the Union Central; R. R. Richardson, of the Equitable, and R. E. Williamson, of the Life Insurance Company of Virginia, gave interesting talks on the Atlantic City convention. Samuel B. Love, manager of the Richmond agency of the Mutual Life, was present as a guest of the association, and his address, though brief, was enthusiastically received. It was decided to conduct an aggressive campaign for new members, and Mr. Richardson offered two prizes to the two members who will be first to bring in three new members each.

Oklahoma.

Forty members were in attendance at the October meeting of the Oklahoma association, at which President J. Henry Johnson reported upon the Atlantic City convention and presented the association with the Chas. Jerome Edwards trophy and the Whittington trophy awarded at that gathering. The trophies were received by Milas Lasater, who

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HEAD OFFICE, MONTREAL.

ROBERTSON MACAULAY, Pres.

T. B. MACAULAY, Man. Dir.

MANAGERS IN UNITED STATES

C. S. V. BRANCH.....Philadelphia, Pa.
GEO. M. HAYES.....Pittsburgh, Pa.
F. C. HOLBECK.....Lansing, Mich.

NEIL D. SILLS.....Richmond, Va.

C. E. KREGLOE.....Baltimore, Md.
ERNEST W. OWEN.....Detroit, Mich.
E. E. WILKINSON.....Port Huron, Mich.

made a brief speech of acceptance. C. M. Pinkerton complimented the association in having as its president one who was so much interested in association work.

Oregon.

President Hubert H. Ward was the principal speaker at the October meeting of the Oregon association. He discussed the Atlantic City convention, giving particular attention to the educational and conservation movement. F. J. Steinbrey, of the Home Office of the Pacific Mutual, also delivered a brief address. At the November meeting, which will be held on the 17th inst., members will be expected to give an account of their observations of various insurance advertisements and a critical study of the article by Peter McFarlane entitled "His House in Order," which appeared in *Collier's* some months ago, and which was reproduced in LIFE ASSOCIATION NEWS, will be a part of the program.

Philadelphia.

Shortly after the death of I. Layton Register, a former President of the National Association and a man who has always been actively identified with the association movement, the Philadelphia association appointed a committee to prepare suitable resolutions. The committee recently presented the following memorial:

I. LAYTON REGISTER,

Died Sept. 29, 1913.

With sincere regret and loving remembrance we place this minute upon our records.

I. LAYTON REGISTER,

whose loss we mourn, exemplified in his career the highest type of the life insurance agent. As a member of the Philadelphia Association of Life Underwriters, of which he was one of its founders and repeatedly honored by the highest offices within its gift, he distinguished himself by his intellectual attainments, his probity and the zeal which characterized his every thought and deed.

In his chosen sphere his intercourse with all was graced by an engaging charm, a simplicity, a purity of sentiment, a moral loftiness and undaunted courage that armed him with a power few could resist. Endowed by nature with marked religious tendencies and gifted with noble and generous instincts, he naturally took interest in everything which contributed to the uplifting of humanity and the betterment of their social and moral welfare.

In the business of life insurance he was foremost in upholding right methods and practices and stood firmly and courageously for the highest ideals. The pages of life insurance history are replete with his lofty, ennobling sentiments, and what he imparted from time to time contributed largely to the success of the life association movement, inspired his associates to earnest endeavor and gave to the representatives of the business everywhere a clearer and nobler idea of duty and right.

In his death the Philadelphia Association of Life Underwriters has lost one of its most valued and devoted members and life insurance one of its ablest and honored advocates. As individuals we part with one whom we loved and we sorrow because in his death we have lost one of the worthiest of our elect.

I. Layton Register died as he lived, a faithful, sincere Christian man; an honor to his church, to his business, to the city and to the community in which he lived, and as we bow to the will of Him who doeth all things well, we reverently say—"Blessed are the dead who die in the Lord. They rest from their labors and their works do follow them."

Rochester.

Five minute talks on the Atlantic City convention, by delegates who were present at that meeting, was the principal feature of the October meeting of the Rochester association. This was followed by a discussion of life income insurance. Thomas Wood and A. E. Bridgen urged the members to take some action toward raising a fund for advertising life insurance in a general way in Rochester, also to favor the proposed country-wide campaign of the National Association.

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Of the 5,153 domestic death claims paid by the Equitable during 1912, nearly 98 per cent. were paid within one day after receipt of "Proofs of Death."

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A Company whose policyholders include the World's Captains of Industry, whose identification with the Equitable is in itself an endorsement.

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New York

St. Louis.

The guest of honor of the St. Louis association at its meeting held on Oct. 28 at the Mercantile Club was National Vice-President Edward A. Woods, of Pittsburgh. Mr. Woods discussed the matter of unjust taxation by the States and Federal Government, closely following his recent address at the Inaugural Meeting at Pittsburgh. Another speaker was W. F. Gephart, Ph.D., of Washington University, author of a number of insurance text books. Professor Gephart's subject was "The Principles of Life Insurance." Vice-President William C. Johnson, of the Columbian National of Boston, was a welcome guest of the association. His address on "The Home Office and the Field" was enthusiastically received.

St. Paul.

"No policyholder in a legal reserve company has lost a cent since 1887," said J. A. O. Preus, Commissioner of Insurance of Minnesota, at the regular monthly meeting of the St. Paul association. The meeting was held at the Commercial Club on the evening of the 3d inst., and while Mr. Preus was the principal speaker, an interesting address was delivered by Assistant Attorney-General Clifton L. Hilton.

Mr. Preus claimed that fraternal insurance in Minnesota had decreased to the extent of \$17,000,000 in the last year, and he then contrasted this with the growth of legal reserve insurance.

Mr. Hilton referred to the time when he was in the insurance business and interpolated some humorous experiences, which were greatly enjoyed by his audience.

This was the first meeting of the season of the St. Paul association, which was recently re-organized and admitted to the National Association at the Atlantic City convention. The following officers were elected: George W. Harrison, president, re-elected; P. W. Fahey, first vice-president; W. H. Locker, second vice-president; Charles E. Learned, secretary; F. W. Hauenstein, treasurer. These officers, with D. R. Schuler, J. K. Robinson, J. J. Bullis and M. L. Griffiths, will constitute the executive committee.

Savannah.

At the quarterly meeting of the Savannah association at Bannon Lodge Oct. 21 the delegates to the National Convention made their reports. The delegates were W. J. Harty, E. S. Stoddard and S. J. Wheaton, Jr. The convention, they reported, was the best they have ever attended.

A. S. Holcombe, who is connected with the Fidelity Mutual, was the association's guest. He made a short talk, in which he praised Savannah as being one of the best cities he ever visited. Mr. Holcombe said that he was seriously considering locating in Savannah.

E. H. O'Connor presided over the meeting and acted as toastmaster. The meeting began at 6.30 o'clock, being followed by a shore dinner. Those present were: Julian Schley, Andrew Doyle, E. S. Stoddard, S. J. Wheaton, Jr., Stiles Burroughs, Tracy Hunter, A. S. Holcombe, W. J. Harty, Harold Ferst, Aaron Ferst and E. H. O'Connor.

South Carolina.

The annual meeting of the South Carolina association was held at noon on Oct. 29 in the city council chamber at Columbia, W. J. Roddey, of Rock Hill, president of the association, presiding.

From reports made, the association was found to be in a flourishing condition, 43 of the representative life insurance men of the State holding membership, and 20 of the legal reserve companies licensed in South Carolina being represented.

Mr. Roddey has served the association as president for three terms and he declined re-election for another year. He has been active for the association movement and its present satisfactory condition is largely due to the personal attention he has given the work. Mr. Roddey was given a rising vote of thanks by the members for the splendid services rendered the life insurance interests of the State. He is well known throughout the State as manager for the Equitable Life and president of the National Union Bank of Rock Hill.

The committee on nominations, R. Sam Cox, R. J. Blalock, E. D. Pearce and D. H. Ellis, reported the nominations of the following officers for the ensuing year, who were unanimously elected: President, F. H. Hyatt, Columbia. Vice-presidents, C. C. Edwards, Chester; J. C. Dillingham, Charleston. Executive committee, Carroll H. Jones, Columbia, chairman; T. W. Bethea, Charleston; Fred J. Parham, Columbia; W. J. Roddey, Rock Hill, and Ellison Capers, Summerton. Secretary-treasurer, W. S. Hendley, Columbia.

The association considered propositions made for a plan of co-operative advertising and this matter was referred to the committee on press and publications.

F. H. Hyatt, president of the association for the ensuing year, is well known as South Carolina manager for the Mutual Life of New York. He announced that members of the committees on field practices, legislation, membership and press and publications would be announced at a later date.

The annual banquet of the association will be given during January or February and the present membership of the association will make an effort to obtain a large number of new members prior to that event.

South Dakota.

With the idea of extending the benefits of the association movement throughout the State of South Dakota, the Executive Committee of the Sioux Falls association recently presented an amendment changing the name of that association to the South Dakota Association of Life Underwriters. This amendment was adopted at the October meeting of the association, which was held at the Carpenter Hotel at Sioux Falls. It was also decided at this meeting that the election of officers should be held the first meeting in January.

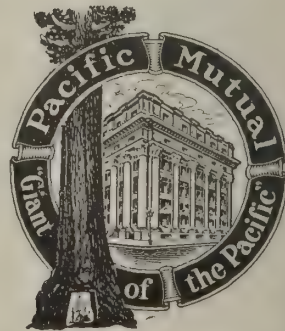


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Syracuse.

An enthusiastic get-together meeting of the Syracuse association was held on Oct. 18. Six of the eight delegates to the Atlantic City convention were present at the meeting and gave interesting talks. A new Committee on Education and Conservation was appointed, which committee will look after another lecture course at Syracuse University during the coming season.

Tacoma.

Twenty-seven members of the Tacoma association had their monthly dinner at the Commercial Club on the evening of Oct. 25, and listened to an address by Herbert Hunt, editor of the Tacoma *Daily News*, on "The Psychology of Life Insurance." Mr. Hunt traced the history of life insurance back to several hundred years before Christ, and sought to show the basis of the business which, he claimed, was love. Mr. Hunt is a man of forceful personality and a keen student, and his talk was enthusiastically received.

W. D. Mead, of Seattle, who was one of the delegates to the Atlantic City convention, delivered a report of that meeting. Mr. Mead is described by a Tacoma life insurance man as a "1914 model, six-cylinder hustler," and Tacoma men are always glad to have him as a speaker at their meetings.

Samuel McDowell was elected as a representative on the National Executive Committee. Three new members were admitted.

Four lectures are to be given at the Stadium High School of Tacoma during the winter months under the auspices of the local association. The subjects are as follows: "History of Life Insurance," to be given by Harry Pelletier; "Surplus, Reserve and Dividends," by M. C. Arvidson; "Physical,

Financial and Moral Risk," by Tallmage Hamilton; and "Different Forms of Policies," by Carl Widmann.

Texas.

The Texas association held its October meeting at the Oriental Hotel in Dallas and eight new members were admitted. Several of the delegates to the Atlantic City convention gave brief talks relative to that meeting.

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Toledo.

The Toledo association held its October meeting and dinner at the Commerce Club. An address was delivered by E. L. Briggs, whose theme was "The Life Insurance Agent's Service to Society." Mr. Briggs was given a rising vote of thanks. J. W. Crook gave the members a talk descriptive of his trip and the convention of the National Association in Atlantic City.

Utah.

"The Efficient and Successful Salesman" was the subject of an address delivered by J. S. Knox at a special meeting of the Utah association, held at noon, on Oct. 31, at the Commercial Club, in Salt Lake City. Mr. Knox is president of the Knox School of Applied Salesmanship, of Des Moines, Iowa.

Utica.

The opening meeting of the fall season was held by the Utica association on the evening of Oct. 20 in Bagg's Hotel. Walter S. Butler, of Utica, a delegate to the Atlantic City convention, spoke after the luncheon. The association will arrange for a series of addresses by prominent life insurance men, and these affairs will be helpful and valuable.

Announcement was made that James P. Mulhall, president of the Utical local, has been appointed by National President E. J. Clark as one of the five members of the press committee of the National Association.

West Virginia.

Two new members were admitted to the West Virginia association at its October meeting, Charles S. Schlesinger, of the Travelers, and J. E. Frayser, of the Life Insurance Company of Virginia. Graham C. Wells, general agent of the Provident Life and Trust at Pittsburgh, was the principal speaker.

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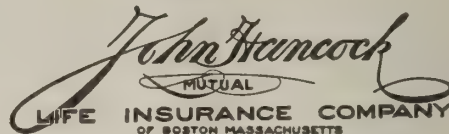
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OFFICIAL ORGAN OF THE NATIONAL ASSOCIATION OF LIFE UNDERWRITERS

Entered as second class matter, Feb. 4, 1907, at the Post Office at New York, N. Y., under the Act of Congress of March 3, 1879.

Vol. 8.

NEW YORK, DECEMBER, 1913.

No. 4.

TAXATION OF ORGANIZED BENEFICENCE.

THE GREAT PROBLEM OF EDUCATING THE PEOPLE TO UNDERSTAND THAT LIFE INSURANCE IS A SUCCESSFUL EXPRESSION OF DEMOCRATIC PRINCIPLES AT WORK.

Twelve States Within Seven Years Have Reduced Taxation, But Thirteen States Have Increased the Burden, and in Knowledge of the Economic Value of the Institution, United States is Far Behind Many other Countries.

By Darwin P. Kingsley, President, New York Life Insurance Company.

Mr. Kingsley delivered this address to the executive officers, staff and guests of the Union Central Life Insurance Company at the opening of its new home office building. Certain introductory felicitations are not reproduced, but the portion herewith should be carefully studied by every man identified with the life insurance profession. Mr. Kingsley never deals in superficialities. His opinion is the last word in life insurance.—Editor's Note.

How shall we make the people understand that a life insurance company is a pure democracy; that it is the most successful expression of democratic principles actually at work; that in it there is the justice which democracy aims to accomplish and otherwise largely fails to achieve; that it is a brother to all those who, from the beginning of time, have sought to assert the divinity that dwells in man, who have sought some process by which the sovereignty of the individual could be established and at the same time the immeasurable strength of men working together could be realized?

That this is what life insurance really means, society at large does not begin to comprehend. Indignant over their exploitation by the strong and the rich, men are disposed to classify the successful life insurance company along with the great trust, and to view it with the suspicion and fear with which they view—and view not altogether unjustly—accumulated wealth and great business success. I do not claim that life insurance is entirely without fault. It has made some serious mistakes which have given some color of justification to such public opinion. But the real causes which have led to the misconceptions which exist are to be found in the imperfections of human nature and in some of those weaknesses which always have and always will be inherent in a democratic society.

One great weakness of a democratic society is that its beneficent forces are unorganized. Selfishness is organized, politics is organized, business is organized, even crime is organized. But the people, through lack of organization, frequently are unable to know when and how and where they have really achieved a triumph. The politician easily fools them; business not infrequently fools them. For this reason they sometimes find that the fruits of an apparent victory are at the last merely Apples of Sodom. On the other hand, and for the same reason, they sometimes fail to recognize a really democratic movement, a really democratic achievement.

That life insurance is organized beneficence, that it is democratic, that its money is the money of the people, that its extent is so great as to make any existing private fortune

a matter of relative unimportance, that its billions of accumulations are more potent than any other money assembled for any purpose because of the social efficiency with which they are impressed—in short, that it answers to a large degree the longings of the individual for a definite place in the wealth of the world, and for definite power against the organized selfishness of the world—all these seem to be truths that the people comprehend with great difficulty. Indeed, comprehension comes so slowly that the people themselves, through their accredited representatives, unwittingly harass and handicap and burden what are really their own best and dearest achievements.

I can at this time touch only upon one or two of the forms which this lack of understanding takes with regard to life insurance. One form is *taxation*.

We have, as a nation, recently been re-examining the bases and the principles of taxation in the matter of imported goods and of incomes. Congress has proclaimed its intention to strike the shackles from trade and industry and to lift the burden of the high cost of living from the consumer, or at least from the poor. There are shackles which bind life insurance and there is a high cost to the consumer in this field which is the direct product of unwise legislation, which in turn is a direct product of misconception by the insured themselves. Whatever life insurance costs beyond what it should be chiefly chargeable now to unwise legislation.

I shall not stop to review what may be called the shackles pure and simple which still exist in life insurance regulation. As a matter of fact, such shackles do not exist outside of the States of New York and Texas, and as originally forged they have been mostly broken. In New York they remain to-day in only two particulars: Limitation on the volume of business which a company may legally produce annually; and limitation on a company's margins of safety.

But as re-examination of processes of taxation is in order let us review concretely some facts with regard to the processes by which life insurance is now taxed: The legal reserve life insurance companies of the United States paid in 1912, in addition to taxes on real estate, nearly \$13,000,000

on a total premium income of over \$666,000,000. That is to say, for every \$1,000 of capital which the insured paid in 1912 for the protection of their families through life insurance, the State took, in one form or another, about \$20. This is a heavier tax than the property tax in New York, Chicago, Philadelphia, St. Louis, Boston or San Francisco. Every dollar's worth of property upon the security of which the companies had invested their funds paid taxes where it was situated; but, in addition to that, for the mere privilege of existing and doing business, the States first and last took this fearful toll.

This is not only taxation of capital but excessive taxation from any point of view. It can perhaps be made more impressive if, for purposes of illustration, we apply the burden to some other phases of the business.

The Ultimate Purpose.

The ultimate purpose of life insurance, of course, is protection, and that finds expression in the money that is finally paid to the insured or to their beneficiaries.

If now we assume that the policyholder was taxed upon what he received rather than upon what he paid, we find that for every \$1,000 paid to policyholders in 1912 the State exacted in taxes almost \$29.

Again, if we assume that the chief benefit of life insurance is the amount paid in death claims, then we find that for every \$1,000 so paid the State exacted death duties to the amount of over \$63.

If it be said that expenses of life insurance are too high, managements may very well retort that the item of State taxes in every \$1,000 expenses amounts to \$72, and unlike ordinary expenses is a factor entirely beyond their control.

If people complain that dividends are too small, that condition is in part at least explained by taxes, because for every \$1,000 paid in dividends in 1912 the companies were obliged to pay in taxes \$140; in other words, dividends on the average would have been 14 per cent. higher but for the moneys taken by the States for the privilege of doing business.

The latest development in our various forms of taxation in the country at large is the Income Tax. This tax reaches life insurance, as it did in the corporation tax which it supersedes, by levying 1 per cent. upon net income. If the company which I have the honor to serve had paid to the Federal Government in 1912 as a tax on its net income what it paid to the States, the rate of taxation on that income would have been four and four-tenths per cent. This rate approximates the rate levied by the Income Tax on so much of private incomes as exceeds \$250,000 and does not exceed \$500,000; in other words, it equals the rate applied by the existing law to those whom some people call "the criminal rich."

Size of the Burden.

The indictment against such taxation is not complete when I recite merely the size of the burden. Another clause of the indictment must tell how the States destroy equity as between policyholders. Neither in the rate, in the amounts paid, nor in the principle underlying the system of taxation, do the States agree.

Twenty-seven States levy a tax upon gross premiums without deductions.

In one State the rate is six-tenths of 1 per cent.;

In two States it is 1 per cent.;

In one State it is 1.44 per cent.;

In one it is 1.75 per cent.;

In two it is 1½ per cent.;

In eleven it is 2 per cent.;

In one it is 2½ per cent. on the first \$5,000 and 2 per cent. on the excess;

In one it is 2¾ per cent.;

In six it is 2½ per cent.;

And in one it is 3 per cent.

Nineteen States and the District of Columbia levy a tax upon premiums after certain deductions:

In four States and in the District of Columbia the basis of the tax is premiums less dividends;

In nine States it is premiums less annual dividends;

In one State it is premiums less death losses;

In one State it is premiums less death losses not to exceed 25 per cent. of the premiums;

In two States it is premiums less policy claims;

In one State it is premiums less death losses, endowments and commissions;

In one State it is premiums less re-insurance premiums paid to domestic companies.

In two States only are premiums not taxed—Nevada and Massachusetts; but Massachusetts levies a tax upon the reserves of Massachusetts policyholders, which is the most indefensible of all forms of life insurance taxation.

Among the lesser taxes imposed are some of the following in every State: State license tax, State fees, State and county license fees, city and county taxes, personal property tax.

Nineteen Different Rates.

Here are nineteen different rates of taxation, even if licenses and fees were the same in every State—which they are not. And yet the United States are supposed to be a nation in which the citizens of each State are "entitled to all privileges and immunities of citizens of the several States," where commercial intercourse between the citizens of the different States is free and untrammelled.

If any one of these rates of taxation is right, then eighteen of them are wrong.

The absurdity and injustice of the present situation will be illustrated if we assume that Congress were legislating upon the subject and that nineteen different rates of taxation were presented by representatives of nineteen different States, and, as the sponsors of each plan insisted upon their own, Congress should enact them all!

All this, notwithstanding the frequently repeated statute which forbids any company to "make or permit any discrimination between individuals of the same class or of equal expectation of life, in the amount or payment or return of premiums or rates charged for policies of insurance, or in the dividends or other benefits payable thereon, or in any of the terms and conditions of the policy." The first to violate these statutes are the States that have passed them. The companies could hardly have any object in violating them, and, so far as I know, no company ever voluntarily did. It would be difficult, however, to conceive of a greater travesty on justice in the matter of taxation than a program by which the States in one statute prohibit discriminations and in another enforce a program which compels discriminations.

Most Heavily Taxed.

We are, in a word, faced by this anomalous condition: Life insurance, using words in their ordinary significance, is not an investment at all. The money that provides it represents, substantially in its entirety, unselfish sacrifice; and yet, no capital going into any ordinary business enterprise is anywhere in this country taxed as heavily as life insurance premiums are taxed.

Taxation is one of the oldest problems of government. Indeed it lies at the foundation of all government. The disposition on the part of the representatives of the people to get money for governmental purposes in the easiest, rather than in the right, way is in part at least a product of their resentment against the encroachment of organized wealth, against the inhumanity of organized ability. Responsible life insurance companies have money; they must have it. But the people as a whole do not understand that necessity, they do not appreciate its significance, and they do not realize that that money is their money, that it is beneficent and not malevolent in character, that it is really the fine product of an ideal democracy. It is even difficult for them to understand that the project itself should be encouraged; but that much they do faintly admit. Broadly speaking, the man

in the street will generally say that life insurance is a good thing. Concretely speaking, when he comes face to face with the fact that it has great accumulations of money, he acts as though he thought it were a bad thing.

And yet, I thoroughly believe that we are making progress. There are two principal reasons why I think so; the first is that the day of strike legislation is gone and gone forever. This dates from the moral upheaval which perhaps found its most definite form in the insurance investigation in the State of New York in 1905-6. It is easy to be wise after the event, easy now to condemn the men who, in most instances at least, dickered with the blackmailing legislator from the best of motives and from a desire to protect the interests of their policyholders; but that condition has passed, passed not only for life insurance, but, as I see it, for all corporations. The second reason is that when the Income Tax was under discussion in Congress, genuine progress was made. The case was presented as it probably was never presented before to any legislative body in this country. The result is that the tax exacted from life insurance companies under the Corporation Tax law will be materially reduced under the existing Income Tax law. That is progress; but no inconsiderable progress has been made by the several States as well.

Taxation on the Increase.

Twelve States, within seven years, have reduced taxation on life insurance by percentages varying from one-tenth of one per cent. in Colorado, to one per cent. in Rhode Island. In the same period thirteen States have increased taxation. While, therefore, the States, as a whole, appear not to have made progress, as a matter of fact they have, because prior to seven years ago no State ever made any reduction under any circumstances. That within seven years twelve States should have made reductions is significant, and is rendered more significant by the recent action of the Federal Congress.

But the misunderstanding still exists. That Congressmen and Senators fail to understand the part that life insurance plays in the economy of the State is shown in the text of the Income Tax law as it now stands, and was strikingly shown by the measure in its first draft. It is hardly worth while now to discuss the provisions of the bill as originally presented; it is enough to say that into that first draft some enemy of responsible life insurance had injected an unusual amount of venom. Who that enemy was I do not know, although he probably was not a member of either House. But even now the bill clearly shows this lack of understanding, this fear of accumulated money, this disposition to put a penalty upon success.

The Irresponsible Go Untaxed.

The bill, for example, exempts all fraternal, beneficial and religious orders. Why? Ostensibly because they are mutual. But is that the real reason? They are no more mutual than certain well-known life companies, and broadly speaking no more mutual than the so-called stock companies. But they accumulate little money, they present the plea of poverty; the successful companies accumulate money and do not present the plea of poverty. It is true that these orders are unscientifically founded, that they are to a large degree irresponsible, that their contracts cannot be depended on, that their record through a period of time is one of failure and financial default, social inefficiency and general incompetence; but they have the seeming virtue of poverty. On the other hand, it is true that the responsible life companies are dependable, that their contracts are as certain as anything in human society, that what they agree to do they do, and the extent of what they beneficently do is almost beyond calculation; but in doing it and in order that they may do it, they commit the offence—or what is seemingly an offence—of having large accumulations of money. Moreover, they never make the plea of poverty. So the inefficient and the irresponsible go untaxed; the efficient and the responsible are taxed. The feeble attempt at democracy is

encouraged; the effective achievement of real democracy is discouraged.

And yet I insist that we have progressed. During the recent discussion of the Income Tax law Congress really responded to the plea of the companies. Most of us presented arguments; which arguments went home it is not easy to say. That some of them went home is certain. It may not be out of order for me to repeat in substance some of the arguments which I used with the chairman of the Finance Committee of the Senate, and, so far as I was allowed, with the sub-committee of that body.

Socially Inefficient.

I called the committee's attention to the socially inefficient, what we call the dependent class, and reviewed some of the causes which constantly swell the ranks of that class. That one of the great problems confronting every statesman is how to provide through taxation for the support of this class was a matter that I did not need to emphasize. My plea for life insurance was that beyond every other organized force in human society it helps the State and aids the statesman by keeping people out of the dependent class; and if we can successfully establish a social program which keeps people from becoming dependent, a great problem in statecraft will speedily become simplified. We pay to war pensioners over \$165,000,000 a year, every dollar of which is raised by taxation. The life companies pay twice that sum annually in cash to beneficiaries and policyholders, every dollar of which is raised by private taxation. Pensions are remedial. Life insurance is preventive. Pensions are the price the people pay in order to soften the pitiful after effects of a conflict too hideous to be ameliorated when in progress. The proceeds of life insurance are provided by the people to protect the defenceless, to educate the young, to open the door of opportunity. But it is a tax, and to tax it is to commit the economic barbarism of levying a tax on a tax.

This was the argument which I sought to drive home. It seems to me it is the consideration which must appeal to every intelligent statesman. If that be a fact, if life insurance in the great interplay of the forces involved in our sociology is direct, powerful and efficient in keeping people out of the dependent class, should it, beyond the cost of administration, be taxed at all? Should it not rather be encouraged—encouraged as an enterprise which in the long run solves the problem of taxation by reducing the burdens on society which ultimately find expression in terms of taxation?

Far Behind Other Countries.

In knowledge of the economic meaning and value of life insurance, we are far behind most of the enlightened countries of the world. I happen to be associated with a company which does business with substantially all the civilized countries of the globe. In only a few are we taxed in the same way that we are taxed in the United States. I refrain from naming those countries because the catalogue might appear invidious. In most of the great countries of Europe, whenever a tax is laid upon premiums it is assessed directly against the policyholder and turned over to the government. This has at least the virtue of directness and the policyholder knows what the government is doing. A great objection to our system is its indirection. Few policyholders know that they are being mulcted by the government. In France, Spain, Denmark, Germany and Russia, the premium tax is for the maintenance of the Insurance Department and substantially nothing more. In Great Britain the tax that the company pays is about one-fourteenth of the average rate in the United States. In Germany the rate is about one-twentieth of the rate exacted in the United States.

But that is not the whole story. In Great Britain and Germany the government not only refrains from laying more than a nominal tax upon life insurance when voluntarily taken, but they compel certain classes to insure against death,

accidents and sickness, and provide at the public charge for old age pensions. The cost of this is assessed partly on the insured, partly upon the employer and partly upon public funds. The attitude of these governments toward the idea of life insurance is so far in advance of the attitude maintained by our various legislatures that the contrast is painful. They have learned what we must learn; they have learned under autocratic forms of government what we are learning very slowly under a democratic form of government.

I have said that we are making progress. I wish I could say that we shall ultimately get justice under the supervision to which all insurance is now subjected. What would the attainment of justice in taxation involve? It would mean that forty-eight separate State legislatures and the legislatures of all the Territories, as well as the Congress of the United States, must reduce taxation on insurance of all kinds to a basis which would represent merely the cost of efficient State administration. It would mean the surrender of over \$16,000,000 in annual revenue. Some of you may believe that can be done; I am frank to say that I do not.

One Great Authority.

And yet I believe we shall ultimately get justice. Europe has learned the lesson; but the people did not learn the lesson and then enforce it; the lesson was first learned by authority. The value of life insurance was first appreciated in Europe and is being imposed on the people, by authority. The one great authority in the United States which can enforce justice is the Federal Supreme Court.

That court went wrong economically in 1869 in the case of *Paul vs. Virginia*. It has generally been assumed, in that case, and in some subsequent cases where the doctrine of that case was reaffirmed, that the court irrevocably declared insurance in all its forms and however practised not to be commerce. The language used in some later decisions, however, implies that the decision then made applied only to insurance as *ordinarily practised*, and later writers have repeatedly intimated that in the case of *Paul vs. Virginia* the Supreme Court has not disposed of the whole subject of insurance nor settled the question as to whether or not it is commerce as practised now, especially in life insurance. The practical effect of that decision, however, was to leave the whole matter to the tender mercies of the States and they are taking out of insurance as a whole annually about \$17,500,000. To expect the States voluntarily to give that up is to expect too much. You might as well expect the beneficiary of a monopoly voluntarily to come forward and renounce his privileges. Human nature is not made that way.

Paul vs. Virginia.

What the Supreme Court of the United States may do when insurance and especially life insurance as it is now practised is fully presented and discussed, is another matter. Good lawyers believe that if the Supreme Court should enter a decree declaring that insurance and especially life insurance as now practised is commerce, it would simply be recognizing what has always been true, and would not be reversing the controlling case of *Paul vs. Virginia*. The effect of such an opinion would be magical. I firmly believe that sooner or later such an opinion must be rendered.

When that time comes not only will the great body of this taxation fall away, but an opportunity will be created for the expansion of a great democratic idea, one which applies the principles of democracy to labor and the products of labor, to society and the problems of society, as effectively as manhood suffrage, in theory at least, enforces the rights of humanity in the processes of a democratic government. Through the expansion of that idea, under the control of one central authority as against some fifty authorities which now control, we shall hasten enormously the time when the people will understand that a life insurance company is indeed a pure democracy, that it is a brother to all who have long sought some process by which the sovereignty of the individual may be established, and at the same time the immeasurable strength of men working together realized.

A BUSINESS MAN'S VIEWS UPON LIFE INSURANCE.

Captain of Industry Declares That Life Insurance Is Essentially an Act of Intelligence, Love and Self-Sacrifice.

By Alba B. Johnson, President, Baldwin Locomotive Works, Philadelphia, Pa.

Mr. Johnson delivered this address at the December meeting of the Philadelphia association. He is not only president of the Baldwin Locomotive Works, but is a strong believer in life insurance. Mr. Johnson carries nearly \$1,000,000 insurance on his own life, and his reasons why other men should insure their lives in proportion to their incomes are not only interesting, but are based upon Mr. Johnson's personal observation and experience.—Editor's Note.

By Alba B. Johnson.

Life insurance is made possible only by the general prevalence of peace and by the homogeneity of interest among men which results from modern civilization. It is a recognition of men's mutual dependence and is a symbol of the brotherhood of man. Who could conceive of men in a savage state, exposed to cold, hunger and disease, uniting to bear jointly the losses and suffering caused by death. Life insurance upon a scale large enough to be practicable, was, furthermore, out of the question so long as people were divided up into small nations constantly at war with each other. Life insurance becomes possible only when men have so awakened to their duty to the dear ones who may survive them, to be willing to make sacrifices for benefits in which they cannot themselves hope to share. Life insurance is essentially an act of intelligence, love and self-sacrifice.

The subject which has been suggested to me is, "Life Insurance in its Relation to Business." I fear this is rather a pretentious subject, and that it would be nearer correct for me merely to give one business man's views upon life insurance. I am a strong believer in life insurance. I advise every young man of my acquaintance to purchase all the insurance he can afford to carry, and to increase it from time to time as circumstances make possible.

Matrimony and Life Insurance.

A young fellow without inherited means and having only his own brains and good health as his guarantee of success in life, has no right to ask a girl to marry him unless he shall make some effective provision against death or misfortune. Insurance offers such a provision. Therefore, it is the duty of every man contemplating matrimony to insure his life, and this should be done before marriage. With each advance in position and compensation he should add to his insurance, so that in case of death his wife and children will be enabled to live in the style to which his income, while living, has accustomed them. A man achieving great business success should simultaneously therewith be a large insurer.

Never, except as a last resource, should a man use his insurance policies as the basis for borrowing. It should be a source of joy and satisfaction that this sacred investment is kept clear of encumbrance. Whatever advantageous financial operations may offer with reference to other investments, sums set aside for insurance should be regarded as of a different class, to be maintained unimpaired. It is a satisfaction to know that the gradually increasing cash value offers, however, a resource always available and unquestionable. It is a stout anchor to windward holding firm against any storm of family or business misfortune that may arise.

In the autumn of 1907, there was a panic, during which there was a practical suspension both of currency payments and of credits. Rates of interest advanced to prohibitory

figures, but notwithstanding the enhanced rates, loans were practically impossible to obtain. Three or four years before, one of my partners and I had taken out life insurance policies for considerable amounts. These gave the right to borrow from the insurance company at the fixed rate of five per cent. We were, therefore, enabled to place this credit at the disposal of the partnership of which we were members, and something like \$100,000 of cash was instantly available in a time of great need. Of course these loans were repaid to the insurance company immediately upon the restoration of normal conditions. Such a privilege must in many cases mean the avoidance of actual disaster.

Some years ago I was giving much thought to the preparation of a will. My children were quite young, my boys being something like 15 and 12 years of age, respectively. There was also a younger daughter. It was impossible for me then to form any idea of the business character and judgment of my two sons. Should I leave to their unlimited discretion upon coming to their inheritances, the management of their properties, or should I put them in trust. The first would, in the event of their proving improvident or incapable, make them liable to be deprived of the support which I was desirous of providing. The second would make my lack of confidence in my sons a matter of record, the stigma of which might attach to them all their lives.

A Good Plan Suggested.

In this perplexity it occurred to me that I might take sufficient insurance, to be held in trust, the proceeds of the trust to be paid them so long as they should live, and the principal be available for them to dispose of by will upon their deaths. Then I could make a will, clear of restrictions which should contain no suggestion of doubt as to my children's capacity. I accordingly took out four policies, creating four trusts, one for my wife and one for each of my children. This transaction has always been a source of gratification to me and I have commended the same plan to many others.

Most men engaged in active business have much of their capital locked up in their business enterprises in such a way that it cannot be quickly withdrawn. They may also have investments of a more or less speculative character, which may not be ripe for realization and could only be liquidated at a loss. The more actively a man is interested in private and public affairs, the wider are his sympathies, and most men dying, leave private legacies as well as bequests to charitable and public causes. How important an advantage it must be to the executors to have immediately available, insurance funds free from every business entanglement, and available for immediate distribution to legatees. How satisfactory it must be to the surviving business associates, as well as to the beneficiaries, that such funds are at hand to use for any consistent purpose.

Endowment Insurance.

In endowment insurance the man of fixed or limited income has a means of providing a certain income during old age. Where two or more men join their fortunes and abilities in a business enterprise, to which each contributes a different kind of ability, the loss of either by death might prove disastrous to the survivor, not necessarily because of the loss of his skill, but also because of the withdrawal of his share of the capital. Partnership insurance offers a certain safeguard against such a contingency, and if a blanket arrangement is effected for the sole advantage of the business, it forms a reasonable and desirable business expense.

The possession of a fair amount of unencumbered insurance is one of the best tests of character for a borrower seeking credit. It is not only a tangible asset, but if maintained without incumbrance it is an indication of a reasonable surplus of other assets. As such, it is an evidence which no banker could ignore. It is not an asset which figures in the commercial agency reports, and it is not susceptible of being attached for debt.

At present the public mind is much troubled with the sub-

jects of the taxation of life insurance and State insurance. Taxation is predicted largely upon the necessities of the State, and frequently only secondary consideration is given to the justness of the tax. The only reason why I can perceive for taxation of life insurance, is that the Government needs the money, and having the power to do so, levies taxation irrespective of the weighty and valid reasons against it.

In a recent pamphlet entitled "Taxation of Organized Beneficence," Darwin P. Kingsley, president of the New York Life Insurance Company, pointed out that during 1912 for every \$1,000 which the insured paid for protection of their families through life insurance, the State took, in one form or another, about \$20. This is a tax heavier than the property tax in New York, Chicago, Philadelphia, St. Louis, Boston and San Francisco. If the amount of taxation paid were based upon the amount paid in death claims, then for every \$1,000 so paid the State exacts death duties to the amount of over \$63. In fact, the item of taxation amounts to 7.2 per cent. of the entire cost of management of the business of life insurance. It must be recognized not only that taxation of life insurance is taxation upon thrift, but that it is a burden added to the cost of performing that which is a sacred duty upon the part of every citizen—the setting aside of a part of his income while living, to prevent any risk of his surviving dependents becoming charges upon the community. The State could, with as great propriety, assess the same rate of taxation upon the contributions of the charitable for the support of hospitals, orphan asylums and other institutions of benevolence, as upon the benevolent provision which men make for those dependent upon them.

William Pitt's Example.

During the early part of the last century, when England was striving with every resource to combat the overwhelming power of Napoleon throughout the continent of Europe, insurance became an object of taxation, although the amount to which it was taxed was less than that now collected in many of our States. William Pitt perceived the folly of this form of taxation and removed it. May we not earnestly hope that a more profound study of the lessons of the past may lead our statesmen to follow Pitt's example and enable them to recognize the peculiar claims of life insurance to exemption from taxation.

There is a disposition to believe that government can do many things better than can be done by private enterprise. The idea that life insurance should be a function of government is an old one. Recently Germany and England have enacted measures for insurance of working people against sickness and old age, and whatever inconveniences there may have been at the outset in becoming accustomed to the operation of these laws, there can now be no question of the beneficence of their operation. So strong is the expectation of life in every man, that all believe in death for others but not for themselves. Therefore, it is difficult to prevail upon men to realize their own mortality, and the condition in which their families may be left after their death.

The Necessary Urge.

In this, as in other respects, men must be urged to do their duty. For this reason no State system of voluntary insurance would be successful, and to be practicable any system of State insurance must be compulsory and must have relation also to the circumstances and income of the individual. Where State insurance has been attempted, only small numbers have taken advantage of it. Without a compulsory feature, State insurance would necessarily be a failure. Insurance is most widely bought where the field is most thoroughly canvassed. Far as we have wandered from the old-time standards, that they govern best who govern least, I believe that the day is fortunately far distant when any system of compulsory State insurance would be acceptable to the American people.

INTERDEPENDENCE BETWEEN AGENTS AND POLICYHOLDERS.

Lack of Knowledge on the Part of the Uninsured as to Real Meaning of Life Insurance Emphasizes Necessity of Agents Capable of Performing Expert and Honorable Service.

By Ernest J. Clark, President, National Association of Life Underwriters.

In this article, which is the address delivered by Mr. Clark at the recent meeting of the Association of Life Insurance Presidents, will be found much food for thought. The responsibilities of the agent are many and of great importance. Mr. Clark outlines the situation very clearly, showing how public sentiment is created and moulded by the agent.—Editor's Note.

It gives me much pleasure as president of the National Association of Life Underwriters to respond this afternoon to a subject on which the life insurance men of this country, and especially the members of the great national body which I have the honor of representing, are concentrating their thought and energies as never before.

Life insurance, once classed as purely a business, has during recent years been acquiring those elements both in its conduct at our home offices, and the educational requirements, training, ethical standards and character of service rendered by its field men, which have made it unquestionably one of the four leading professions. The really successful life insurance agent of to-day has become an insurance counsellor in the fullest sense of the term—one whom any prospective insurer or policyholder may consult with perfect confidence that he will receive intelligent, conscientious and absolutely reliable advice and service. This is not simply idealism, gentlemen, but an accomplished fact dictated by the very nature and function of life insurance, the greatest institution outside of Church and State ever devised by the mind of man, an institution with such far-reaching material and spiritual force, underlying principles and humanitarian objects to be accomplished, that in its evolution only those men actuated by the higher motives in life and a desire to serve their fellowmen to the limit of their ability can become truly successful.

No Marvel in It.

The late Rev. Dr. Sylvester Scovel referred to the parallelism between the urgency of the minister of the Gospel and that of the life insurance agent in the following language: "There is no marvel in it. It grows from the same roots in both cases and in each it is genuinely beneficent. The objections and difficulties to be met are the same. The outlying facts fully sustain the same sincere appeals to judgment and reason and affection. The persuasives to instant action against the ever present inertia which pleads for delay are of the same nature. Both agents seek to determine the will by informing the mind and arousing feeling. Both mingle warnings and attractions."

Service, therefore, and professional service in the fullest sense of the term, is the keynote to real success and efficiency in this great profession of life insurance, and by serving the policyholder best the company is served most. Aside from the technical requirements and the inspirational influence of life insurance on the life and work of the conscientious and carefully trained agent, what are some of the chief reasons responsible for this ever-increasing interdependence growing out of the policyholders' interests and necessities?

(1) The gradual and yet certain awakening of every self-respecting man to the benefits and necessities of life insurance protection: that it is no longer a luxury to be acquired when every other wish has been gratified, but that he has a life value which is to be destroyed by death and

that it is his duty to protect his dependent ones against this ultimate destruction of that life value, or provides a definite income for his own old age and declining years.

(2) The multiplicity of contract forms now required in order to properly serve the insuring public render it necessary that the applicant or policyholder depend absolutely on the agent for guidance and advice.

Consequently, in view of this lack of knowledge on the part of the uninsured regarding life insurance and the proper form of contract adapted to his particular needs or those of his family or business, he must secure the services of an insurance agent or counsellor who is capable of giving to him the exact form of protection which the circumstances involved require.

Some time ago I heard an address delivered by a prominent Western lawyer and legislator before a body of insurance men on "The Policyholder's Point of View," and I am going to take the liberty of repeating the following paragraphs from this policyholder's address, owing to their direct bearing on the subject under discussion:

Misunderstanding of the Public.

"The average policyholder, himself, and certainly the uninsured to a greater degree, has a very faint idea of what a life insurance company is and who constitute the company. They understand that there is a home office, an indefinable sort of a thing, a corporation without soul, located in some city, which has a habit of reaching out over the country and taking in the money or contributions, and that any attempt we might make by court proceedings or legislation to stifle that monster is a service of value. They do not realize that the life insurance company of to-day is made up of the units of the insured, and I believe that the greatest work of education that you gentlemen can enter upon is to educate the people of this broad land to a realizing sense of the fact that the insured, the policyholder, is the unit out of which the structure is built. Make him understand that when he contributes to your company's assets he is, as in fact he is to-day, a shareholder, and that you are his faithful trustee of an expressed trust, and that you intend to carry it out faithfully as you have in the past. Then you will get rid of some of these delusions.

"The uniform solvency and success of legitimate life insurance ought to have taught our people their error, but they do not know it and do not understand it. Give us to know what is being done, for you need not be ashamed of it. The great and magnificent business will bear the searchlight of public scrutiny turned upon it every hour of the day and night. When such a record can be presented to me as the record of the life insurance companies of the United States, I feel more and more like dealing with my fellowman on his honor and feel that I never will be betrayed. And I want to say for the policyholders of this country that they will all feel that way if you will make an appeal to us and educate us on the subject. And so we ask you to assist us by giving us full knowledge of what is being done. We need your assistance in the education of our friends and our neighbors as to the difference between true and false insurance.

Vicious Substitutes.

"The frauds that are being perpetuated, the wrong that is coming to the so-called policyholders, is coming from those vicious substitutes for true insurance. It has no doubt appealed to you as agents and managers that there is a great injustice in imposing unwarrantable burdens upon this magnificent business. It comes to you with no more force than it does to me and my fellow policyholders who are trying to learn something of the intricacies of this business that produces such wonderful results for all of us. We ask that these burdens be taken off. Some of these burdens may seem to you trifling, but to one like myself, who has

been paying on more insurance than he could conveniently carry ever since he entered business life, it is a burden to know that the State is attempting to make a source of profit out of this provision and foresight and care for his family and for his dependent ones.

"Taxation of insurance is an unjust burden. I care not in what State it is collected nor by what Legislature it is imposed. There is no more reason why I should be taxed on every premium that I pay annually in my attempt to lay up a little estate that will care for my dependent ones if I am carried off, than there is that you should tax any other charitable or eleemosynary institution within the bounds of my State."

Responsibility of Agent.

From the above, therefore, you will readily observe the natural interdependence between agent and policyholder, because of the growing disposition throughout the entire country to harass, annoy and burden life insurance policyholders with vexatious and expensive legislation. In the majority of cases the most powerful and effective weapon to fight with is public opinion, and the policyholder must look to the agent for enlightenment on these questions, and the agent must, in turn, work through the policyholder, using the public sentiment thus aroused to defeat obnoxious legislation and bring about a reduction in the existing onerous and unjust taxation imposed on the policyholders of this country by the several States.

This cannot be successfully accomplished by the officers of our companies unaided by the local influence of State constituents, and the agent thus acting as middle man between the officers of the company and the policyholder with whom he comes into personal touch can perform a much needed service, and especially with the co-operation of the officers of our companies or of their representatives in the Association of Life Insurance Presidents.

Along with this, and as a means to the end is keeping the fundamental purpose and underlying principles of life insurance clearly before the public, by dispelling the idea that life insurance companies are privately owned institutions, conducted with vast profits for the few, that the assets and even the surplus are unnecessary accretions of money held in distant money centers, and invested outside of the State from which the money comes, as well as the vague suspicion on the part of many that it is invested for the benefit of the officers or stockholders of the company.

Important Work.

Intelligence as to what life insurance really means; as to what a life insurance company really is; of its relationship to the life value; of its purpose in compensating loss by banding together persons from all sections in a common cause, and of promoting thrift, decreasing poverty with all that this usually means in its effect on disease, vice, illiteracy and even crime, disseminating the knowledge that investments of all life insurance companies are nation wide and not local, is a most important part of the work of the agent.

In the light of experience and observation, the leading life insurance men of this country are convinced that the National Association of Life Underwriters, through its 84 local associations, with a combined membership of over 4,000 agents, including, as it does, a majority of the general agents and managers of the United States, is the logical organization through which an active and systematic campaign of life insurance education, conservation and anti-taxation should be conducted for the benefit of policyholders and the insuring public. To this end our association is now at work—a most carefully chosen committee having been selected to supervise the education and conservation movement with the co-operation of the Executive Council of the National Association.

In this connection there is to be prepared during the coming year, under the editorial direction of a prominent life insurance educator and the supervision of the Executive Council, a standard text-book on life insurance, for

use in the high schools, colleges, universities and other educational institutions of the United States and Canada, also for agency instruction. The book is to be of such scope and so written and compiled as to render it thoroughly adaptable to the various needs indicated. Its publication will be completed by September, 1914, in time for use in next year's semesters.

If our student classes were taught in the various institutions of learning throughout the country the functions of life insurance, its fundamental principles, benefits and necessities, there would develop unconsciously an increasing appreciation of the moral obligation on the part of young men to provide adequate protection for their dependent ones and their estates against the ultimate destruction of their life values, and at the same time banish forever the misunderstandings and ignorance which now prevail on the part of a vast majority of the public regarding life insurance. If life insurance were thus understood by student classes, its effect would soon be reflected through the medium of an increased volume of insurance written, reduced lapsation, fewer loans made against policies, a less number of foolish and vicious laws introduced in the several States, and a material reduction in taxation, if not the entire elimination of taxes by the several States against life insurance, save for supervision only.

Question of Conservation.

The question of conservation is also one in which there is an ever increasing interdependence between agents and policyholders, and in which the agent can be of the greatest assistance to the companies and to the Association of Life Insurance Presidents in rendering more effective their efforts toward the reduction of preventable waste and loss affecting both policyholder and company. I refer especially to conservation in its relationship to the laws of health, the enormous waste from unnecessary lapsation and surrender of insurance, and the borrowing on policies, with all of its attendant evils.

Excellent work has already been done by many of our home offices and this magnificent organization which I am addressing to-day along these several lines, but I am convinced that much additional can be done by the agents throughout the country to aid in this most important line of activity, because of their personal touch and influence with the policyholders and the insuring public.

The lapsation and surrender of insurance constitutes an appalling waste, much of which could be saved through the medium of systematic effort and education of the public, as previously outlined. The greatest contributing factor to this enormous loss and waste is undoubtedly the securing of loans on policies, which practise has increased so materially during recent years. The average loan, as we all know, is rarely liquidated by the insured prior to the maturity of the policy or its surrender, thereby resulting in decreased protection, increased cost and a constant menace to the life of the policy.

Thus I have endeavored to present briefly some of the many points involved in this ever-increasing interdependent relationship between agents and policyholders. Because of the subject's great breadth and latitude for amplification it has been impossible, however, for me to do more than refer to its principal features on this occasion.

Has Anybody Here Seen Fern?

F. O. Bristol, general agent of the New England Mutual at Los Angeles, desires to call the attention of the life insurance fraternity to a certain A. M. Fern, whom he employed some time ago as district manager for San Diego County. Mr. Bristol states that Mr. Fern has embezzled funds and that it would be to the advantage of life underwriters not to have any dealings with the individual in question. Mr. Fern sometimes writes his name A. M. Fernback, claims to be a lecturer on life insurance economics, a graduate of Heidelberg and a member of the German-British Underwriters' Association.

THE PROFESSION OF LIFE UNDERWRITER.

The Great Advantage to Be Gained by Organization Exemplified by the Strength of Numbers, Strength of Knowledge and Strength of Wisdom—A Word Picture of an Ideal Life Underwriter.

By Stewart Anderson, Editor, Literature Department, Massachusetts Mutual Life Insurance Company.

"May his pernicious soul rot half a grain a day in hell!" This outburst is not in reference to Mr. Anderson; it is merely a quotation which he employs to express his sentiments with regard to the TWISTER. One would naturally imagine that Mr. Anderson is opinionated. He is—but in the right direction. **DO NOT READ THIS ARTICLE** if you want to cheat yourself.—Editor's Note.

It is obvious that he who discusses the profession of life underwriter must also speak of the life underwriter's association. And as this is the first annual banquet of the Providence association I will use a few minutes in reviewing some of the benefits that accrue to the individual underwriter and to the business through organization.

First, let me speak of the material side. Union shall be my text. In your union is strength. And strength is of three kinds—the strength of numbers, the strength of knowledge, the strength of wisdom.

The strength of numbers is obvious, and is felt in Home Offices, in the offices of insurance commissioners and in legislatures. Home Office officials are not omniscient, and they realize that you of the field, because you daily mingle with the people and discuss with them their life insurance needs, have first hand, accurate knowledge of conditions that the Home Offices have no means of acquiring except as you transmit it to them.

Progress Traced in Three Steps.

First, there is the people and their complex affairs into which life insurance is woven. Second, there are the field men, continuously mingling with the people and noting their needs. Third, there are the Home Offices, adapting life insurance contracts and rules of business to popular needs as they are described to the officials by the field men. Progress in life insurance has almost invariably traced these steps. There has been a need. Field men have discerned and reported it. And, at length, when the pressure became so strong that Home Offices were convinced that the demand came from the very life of the people, the desired extension of service or the new service was granted. Progress has not always been due, of course, to life underwriters' organizations. Sometimes it has come through individual representations made to the Home Office of a single company by a number of its representatives sufficient to indicate that they were reflecting the popular wish.

But, far more often, the agency organization of a single company has been the force which, through its company, has brought forth some new instrumentality of widespread and lasting service, which later was generally adopted. In union there was strength. And now all over the land we have the life associations, and the National Association, strong with their combined strength, discussing, debating, resolving and speaking with voice so authoritative with conscience, and knowledge, and deliberated and representative judgment, that the Home Offices are glad to listen and to accord to your organizations the status of co-operators.

This strength of numbers is respected by the commissioners also. The decision of your National Association, reached by delegates from local associations, have weight with these men who have so much power in prescribing the laws and conditions under which we work. Of very different quality are to-day's commissioners from those of a dozen years ago.

Then many of them were political spoilsmen solely. To-day they are, in the main, honest, earnest, able officials, zealous to serve the public faithfully and to treat company, solicitor and policyholder fairly. Their duties are perplexing, and their environment sometimes is maddening. Welcome to them is the influence of your National Association, for they know that it represents sanity, intelligence, soundness and breadth of view, and that it may safely be availed of in many of their legislative recommendations.

Numerical Strength Powerful.

Strength of numbers has weight in the Legislature. No one has ever credited the average legislator with life insurance knowledge so profound as to astonish the silent spirits of the vasty deep. Nor has anyone often noticed in him an attitude of sweet reasonableness. On the contrary, he will thrust his finger into the intricacies of actuarial science and defy every law of mathematics; he will valiantly frame a bill, that if enacted would demolish the whole institution of life insurance; he will ignorantly and hotly dispute propositions based upon the irrefutable evidence of unalterable conditions. The opinion of no mere individual can budge him—he is suspicious, pigheaded, cocksure. But when the influence of such a body as your National Association begins to play upon him, and the strength of united numbers of earnest, forceful, indisputably honest and evidently able men assails him and his similar comrades, he pauses and withholds his hand. In union there is strength that even a Legislature is compelled to heed.

And so I account the fruits of the strength of numbers as one of the important benefits derived from organization.

The strength of knowledge is chiefly an individual benefit, although, of course, as knowledge becomes more full in the individual it rises higher in the organization. Let me explain. When a life underwriters' association is formed there are necessarily afforded means of spreading and broadening knowledge that usually are not available to the individual. These means are chiefly two. The first is, discussion by members, at the stated meetings, of various features and problems of salesmanship and agency management and of life insurance principles and contracts and legislation. Two men may talk upon a subject, and many of its phases be untouched because not known or not thought of.

But fifty or a hundred minds simultaneously and collectively probing the same subject are likely to hold up all of its angles and faces and phases. If, however, there is no way of bringing these minds together their knowledge cannot become common property, and the several unit minds cannot become as rich in knowledge as organization would enable them to become.

Strength of Knowledge.

The strength of knowledge comes through organization in another way. When a life underwriters' association has been formed plans are made for meetings or dinners at which experts are to be the speakers. The knowledge which they bring would not always be available to the individual underwriter—it comes to him only through organization. And it is not alone the set speech or paper of the expert that is profitable, for frequently there is opportunity to publicly or privately question him.

And so, through the meeting of many minds, and through the coming of experts, the strength of knowledge is increased both in the individual underwriter and in the association as a whole, and, as a direct consequence, salesmanship is more fruitful and the public is more widely served.

The strength of wisdom is different from the strength of knowledge. You or I or any one of us may become possessed of an opinion, and we may hold to it persistently and even pugnaciously. We may have become certain that unless our view prevails in Home Offices and in legislatures ruin will befall the business. And it may not occur to us that possibly there are elements or aspects unknown to us which cause those in authority to turn a deaf ear to our representations.

But if an association exists the members will discuss the question, and in the judgment of the organization wisdom is quite apt to be found. To wisdom is accorded respect. And an organization that is respected is strong.

Organization can give you, as its fruits, strength of numbers, strength of knowledge, strength of wisdom.

Barren or Fruitful.

Please note that I say *can* give these fruits. I do not say that every life underwriters' association *does* give them. If an association is more dead than alive, because it is without leaders who lead, or because the attitude of its members is "What do I get out of it?" rather than "What can I put into it?"—if they are self men rather than serving men—if there is suspicion that the daily underwriting life of some of the members does not square with association principles and disunion results—these rich fruits will never grow upon their barren tree. Your president demanded punch of me. Here it is. I know little about your organization, but in naked English I put to you this question: "Is this association barren or is it fruitful?" If it is barren, it is because one or more essential elements of vitality are lacking. If, however, it is fruitful, and I hope and believe it is, it is because the spirit of mutual trust and service actuates a preponderant portion of your membership, both official and lay, and you give of your time and your enthusiasm and put your very souls into that giving. A price must be paid for worthwhile things, and a flourishing life underwriters' association is worth-while.

Gentlemen, Providence is a splendid city, and its name is mentioned with respect the country over. Wherefore, for the honor of your city, as well as for the honor of the great cause of life insurance, it is your duty and it should be your pride to nurture this association with work and loyalty and fraternal confidence, so that every ear shall listen and every eye become intent when the name of Providence is called in the annual convention of the National Association—Providence, the gateway of southern New England.

And now, gentlemen, we bid farewell to the life association, and I ask you to come with me and bend the knee before our high ideal. I occasionally hear a man say, "Oh, all your life agent cares for is his commission." The charge is false! For the life underwriter is an average man, and the soul of the average man is the temple of the ideal. He may almost never talk about it, he may not often think about it, he may seldom worship it. But always it holds its throne, and at times, with still small voice or shining countenance, it exacts obeisance and homage.

The Underwriter's Ideal.

We stand before the life underwriter's ideal, and in gleaming characters we see one word—Faithfulness! No ordinary faithfulness is this, but faithfulness of a peculiarly exalted type. And why exalted, why peculiarly exalted? Because men blindly entrust to our honor the welfare of the dearest things in their lives. Why do men work, why do they slave, why do they often wear out and die before their time? For the sake of a woman and little children.

The man at the carpenter's bench and the president of the great corporation alike go forth in the morning from the presence of a woman and from the divine kisses of little children. They are ministers of the holiest emotion of the human heart—love! And, commanded by their love, each blindly trusts the life underwriter to give him a life insurance contract that shall be the most effective instrument for guarding this dear woman and those little ones, after his death, from want and hardship and misery. Each blindly trusts the life underwriter. Blindly trusts him because comparatively few purchasers really understand a life insurance policy, with its various complex conditions and the many elements that enter into judgment of its quality and adaptability to a specific need.

A man is put upon honor when he is trusted with an ordinary task. When he is blindly trusted with an unusual task,

honor demands of him faithfulness of a peculiar type. But when he, the life underwriter, is blindly trusted to guard the helpless, sacred wards of a life that death may overthrow, a peculiarly exalted type of faithfulness is honor's clear command.

If the life underwriter holds to his ideal, what will be his course? He will deal truly with his customers. He will compete fairly with his brother-workers. He will be honest with his company. Just for a handful of silver he will not smutch his own soul. He will not knowingly sell a life policy to a man who ought to have an endowment. He will not place a life or an endowment policy with a man who he knows full well cannot pay the next premium—he will not so defraud the man, he will not so defraud the company, he will not so wrong his own integrity.

Twisting Policies.

Holding to his high ideal, he will not like a parasitic leech, or, rather, like a plain thief, twist a policy that ought not to have been touched—he will not thus wrong the insured, he will not thus filch from, pilfer from and rob his competitor of renewals that had been fairly earned. (I never think of a twister but I think also of Emilia's wish concerning Iago—"May his pernicious soul rot half a grain a day in hell!")

He will not rebate. He will obey the law of his State. He will respect his company's rule. He will not shame the name of underwriter and heap contempt upon a principle of every life underwriters' association, by giving away his wage in order that a brother worker shall be prevented from earning the reasonable wage of honest labor. The rebater is a traitor in the field and a destroyer of that free and equal competition without which the talk of "brotherly co-operation" and "noble calling" and "sacred trust" is the hypocritical piffle of the whited sepulcher.

He will not lie about his competitor's policy or company practices. He will not give false meanings to statements in his competitor's literature. He will not scheme to fasten a shady risk upon his own or any other company.

In brief, with his ideal dominant in him, he cannot defraud the man whose trust he asks; he cannot wrong his fellow-worker; he cannot be false to his company; he cannot later, when claim-paying comes, "dig a pit for the widow and fatherless."

Trusted Once; Trusted Always.

I have described some of the things that he who exemplifies the life underwriter's ideal of a peculiarly exalted type of faithfulness will not, cannot do. And now, in closing, let me exhibit the portrait of such a man. His countenance is so stamped with indubitable honor that men who have trusted him once trust him always. He becomes their life insurance counsellor, held in as high esteem as their legal adviser, physician, minister or priest. They tell him their family circumstances; they confide in him their business hopes and fears and plans and ambitions. His word is a life insurance lamp unto their feet, and false lights cannot lure them from him.

His company's confidence in him is never shaken, and to new and younger agents he is pointed out as an example. He is a busy man, but his work is directed by educated intelligence—it is not "mere sound and fury, signifying nothing." His heart is warm, because he believes that in this world the good is supreme, and that the life of service is the only profitable life.

He uses the language of courtesy, of kindness, of praise, when speaking of other honorable men who, like himself, are earning an honorable living. His motto is, "Live, and let live." He obeys the law. He does all that is in his power to advance the honor and the prestige of his profession, both by his private and professional conduct and by co-operating with his fellow-agents. In fine, if you look upon him for but a moment you will be compelled to see that brains, heart, and conscience, have conjoined to make of him the

ideal life underwriter, and you will instantly discern that he has heeded the immortal declarations: "To thine own self be true, and it must follow, as the night the day, thou canst not then be false to any man."

Not in idolatry do we bow the knees to worthy ideals. If it be true that in this universe there is but one source of good, then when we as life underwriters invite into our secret hearts, or publicly set up in our associational life an ideal which followed would widen far the sway of trust and truth and love among men, we become consecrated instruments of the progress of mankind toward that One, far-off, divine event, to which the whole creation moves.

PLANS OF NATIONAL COMMITTEE ON EDUCATION AND CONSERVATION TAKE DEFINITE FORM.

General Agents and Managers to Be Requested to Contribute to Fund, and Text-book to Be Published with Dr. S. S. Huebner as Editor.

While little has been given out for publication lately with regard to the plans of the National Committee on Education and Conservation, quiet but nevertheless effective work has been done. A conference was held on the 17th of last month and on the 4th inst. representatives from the Executive Council and Committee on Education and Conservation met at the Bellevue-Stratford in Philadelphia. At this meeting final and definite action was taken with regard to the form of preliminary letter and pledge as submitted by Warren M. Horner, chairman of the Committee on Education and Conservation.

In accordance with a resolution passed at the meeting of the Executive Council in Pittsburgh, this letter and pledge will be mailed in a few days to managers, superintendents and general agents who are members of local associations. Prominent solicitors who are large personal producers will also be included. The letter and pledge will be issued from the office of the National Association at 56 Pine street, New York City, but the pledges are to be returned to Mr. Horner.

It was decided at this meeting that Dr. S. Huebner, professor of life insurance of the Wharton School of Finance and Commerce of the University of Pennsylvania, be selected by the National Association as editor of its proposed textbook on life insurance. D. Appleton & Co., of New York, will be awarded the contract for publication. It is announced that highly satisfactory arrangements have been made with Dr. Huebner and the Appleton Company.

Entire financial responsibility for the publication of the book will be assumed by the Appleton Company. The volume will approximate 200,000 words, or about 550 pages, and will be prepared in the same form as Dr. Huebner's recent book on Property Insurance. In order to have the book off the press by the latter part of September, 1914, Dr. Huebner will spend the entire summer of 1914 on the work. This will naturally be in addition to the correspondence and preliminary work which will be necessary this winter.

Acknowledgements.

Fortieth Annual Report of the Insurance Commissioner of the Commonwealth of Pennsylvania. Part 1, Fire and Marine Insurance. Charles Johnson, Insurance Commissioner.

Forty-second Annual Report of the Commissioner of Insurance of the State of Minnesota. Part 2, Life, Casualty, Assessment and Fraternal Insurance. J. A. O. Preus, Commissioner of Insurance.

"Efficiency," by Forbes Lindsay, assistant manager of the Home Office General Agency of the Pacific Mutual Life Insurance Company of California. This booklet is a series of practical lessons on life insurance salesmanship. Its chapters are greatly curtailed summaries of lectures delivered by the author to the city agents of the Home Office Agency of

his company. The book is beautifully bound in flexible leather covers and is from the press of the Pacific Mutual Life.

THE PACIFIC COAST MEMBERSHIP TROPHY.

Four Prominent Life Underwriters Donate Cup to Stimulate Increase in Membership of Pacific Coast Local Associations.

When William L. Hathaway, of San Francisco; Hubert H. Ward, of Portland, Ore.; National Vice-President John N. Russell, Jr., of Los Angeles, and William D. Mead, of Seattle, went back to the Pacific Coast from the Atlantic City convention, they collaborated on the best means to increase the membership of the five local associations located in the Far West, with headquarters, respectively, in Los Angeles, San Francisco, Portland, Tacoma and Seattle.



It was finally decided to purchase a trophy to be awarded on the basis of the greatest increase in membership. C. I. D. Moore, secretary of the Pacific Mutual at Los Angeles; George B. Scott, assistant secretary of the Metropolitan Life at San Francisco, and S. P. Lockwood, vice-president of the Columbia Life & Trust Company at Portland, Ore., consented to serve upon the committee which would formulate rules governing the award. The terms of the contest have not as yet been formally announced, but in all probability they will provide for the winning of the trophy by that Pacific Coast association making the greatest increase in membership in a six months' period, with permanent possession of the trophy as a result of three consecutive awards. The first period of the contest is to consist of the months of November and December, 1913.

The cup was first on exhibition at the November meeting of the Los Angeles association, and was then sent on for inspection to the other Coast associations.

SEVENTH ANNUAL MEETING OF THE ASSOCIATION OF LIFE INSURANCE PRESIDENTS.

Company Executives Discuss Important Problems in Connection with the Response of Life Insurance to Present Economic Needs—The Field Represented by Ernest J. Clark, President of the National Association—L. Goldman, Managing Director, North American Life, Springs Surprise at Final Session.

That life insurance responds to various economic needs of the present day was fully demonstrated by a score of brilliant and authoritative speakers at the seventh annual meeting of the Association of Life Insurance Presidents. Indeed, this theme and the interdependence existing between the many phases of the business were the two general subjects which sounded the dominant notes of the gathering.

It developed with apparent unconscious intention on the part of the speakers, that life insurance is equipped to furnish an adequate and satisfying response to many economic, social and moral ailments of the twentieth century, but while as an institution, its potentialities were almost omnipotent, it served but a limited sphere when its remedial administrations were considered with regard to the ratio of policyholders to the population of the country.

The potentialities of the institution have of late years seldom been questioned, but its development and the application of its powers have depended upon the activity of its field representatives. Therefore, it was a happy thought, although in the nature of a complete surprise, when L. Goldman, managing director of the North American Life of Toronto, furnished the connecting link between a scholarly discussion of causes and effects and the practical application of resultant benefits directed to the policyholder.

The Barb to the Shaft.

Thus at the conclusion of an illuminating and exhaustive symposium of principles and possibilities as viewed from the Home Office, Mr. Goldman offered an immeasurably valuable suggestion pointing the way to make effective all that had preceded, by urging the company officials to support the proposed campaign of education and conservation of the National Association of Life Underwriters.

Much to our regret space limitations will not permit a full account of the meeting. Therefore, will follow but a brief review of the salient points brought out in the addresses and discussions. The meeting was held on the 11th and 12th insts., at the Hotel Astor, New York City, with George E. Ide, president of the Home Life of New York, presiding as chairman. Mr. Ide referred to the constructive work of the association and the necessity of devoting much time and labor in restraining unwise action and checking legislation inimicable to the policyholder. He claimed that it was practically impossible for each company acting independently to create a sound and friendly attitude of the public mind toward Life Insurance and laid considerable stress on the necessity of breaking down local prejudice and sectional jealousy.

Mr. Ide then introduced Hon. William A. Day, president of the Equitable Life Assurance Society. Mr. Day spoke on "Group Insurance—Its Aims and Its Field." The speaker brought out many interesting points and as to the safety of the plan said, in part:

"It has frequently been stated that a company could afford to accept any one thousand persons that pass a given street corner in the business center of any of our large cities on a working day and obtain from these lives a favorable mortality experience. It is reasoned that a thousand lives engaged actively in daily pursuits should give a fair average and naturally would not include many seriously impaired lives, if any. There would be an absence of moral hazard,

as it is reasonable to assume that such a selection would be free of fraud and speculation.

"Sufficient time has not elapsed since the inauguration of group insurance on which to predicate final judgment on all details, but it can be said that up to the present the theory indicated has been substantiated in practice; namely, that the mortality in group insurance is a superstandard mortality. Thus, in insuring the employes of one establishment, an excellent selection is obtained without medical examination. The expense of soliciting the individuals and of medical reports is eliminated. Administrative economies also are effected, such as the issuance of one group policy instead of individual policies; savings in premium notices and postage, and by the use of the negative system of accounting."

The next speaker was Sylvester C. Dunham, president of the Travelers Insurance Company. Mr. Dunham's subject was "Conservation of Policy Proceeds." Reference was made to the fact that millions of persons, many of whom are beneficiaries of life insurance policies, are tempted by means of circulars sent through the mails to invest in "land enterprises in the desert or under water, oil wells and mines in regions where there is neither oil nor minerals within a hundred miles." Continuing, he said:

Fraudulent Schemes.

"The extent of the mischief that should be prevented must be a matter of estimate because the only available statistics are those based upon the prosecution of parties making fraudulent use of the mails. From a recent department publication it appears that in one year 529 persons were indicted; 497 arrested; 184 convicted; 12 acquitted; 177 awaiting trial; that 46 are fugitives from justice, and that 3 died before trial. It has been further ascertained by the postoffice authorities that the proprietors of fraudulent schemes, put out of business during the year, have obtained from the public no less than \$77,000,000.

"But this does not begin to set forth the extent of the evil. It covers only those cases that come to the attention of the department, presumably upon the complaint of victims, and of those only such as presented evidence that furnished hope of conviction. Many more were not detected and a still greater number carry on their trade so adroitly and under such advice, purchased from unscrupulous lawyers, that they escape the clutches of the law. It would be moderate, I presume, to multiply by ten the losses of \$77,000,000 traced by the Postoffice Department."

As a solution to the problem, Mr. Dunham called the attention of his audience to the forms of insurance payable at stated intervals for the life of the beneficiary.

Borrowing Dangerous.

Arthur E. Childs, president of the Columbian National Life Insurance Company, delivered a scholarly address on "The Ultimate Effect of an Unrestricted Right to Borrow on Life Insurance Policies." He considered his subject from three standpoints—from the legal standpoint, from the moral standpoint and from the standpoint of the best interests of the insuring public. According to the speaker, the law at the present time substantiates the present view of insurance and the fact that the law is the result of the present public viewpoint impressed him as an encouraging feature, in that if the public views on the subject should be changed then company officials can have hope of a modification of the legal status of the matter. In the course of the speaker's remarks it developed that out of every one hundred people who borrow on their policies less than ten ever repay the loan. Mr. Childs scored a strong point when he made the following declaration:

"Most of our companies are comparatively young, but the time will come when we will be old, when the percentage of new business to old business will of necessity be comparatively small. If a company when this time comes finds itself with a large proportion of its assets invested in policy loans

(Continued on page 16.)

Life Association News

A MONTHLY JOURNAL DEVOTED TO THE INTERESTS OF ALL
LIFE INSURANCE AGENTS.

PUBLISHED BY THE

NATIONAL ASSOCIATION OF LIFE UNDERWRITERS

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ARTICLE II OF THE CONSTITUTION.

"The object of this association shall be to advance the best interests of the cause of true life insurance."

Address all communications to

EVERETT M. ENSIGN, Editor and Manager;

Telephone, 4244 John.

LIFE ASSOCIATION NEWS, 56 Pine Street, New York City.

This newspaper is owned by the National Association of Life Underwriters, unincorporated, a voluntary association; Ernest J. Clark, president, Calvert Bldg., Baltimore, Md.; Frank D. Buser, secretary, 704 Commonwealth Bldg., Philadelphia, Pa.; Hervey S. Dale, treasurer, 7 W. Madison St., Chicago, Ill.

SUBSCRIPTION PRICE \$1.00 A YEAR IN ADVANCE.

The Local Associations.

At the Atlantic City Convention there was a discussion on "Local Associations." In the symposium which resulted under this general subject the speakers took into consideration the reason for local bodies, individual responsibility of membership, the most effective forms of programs and the question of a non-resident class of members. This particular feature of the Conventions' program was wonderfully prolific with sound advice based on extended experience. Many excellent suggestions as to the practical management of local associations were put forth. But because of two other discussions, both of which were of tremendous and vital importance, the discussion to which we have made specific reference, was to a considerable degree overshadowed.

If the family is the foundation of the nation, certainly the local association bears a similar relation to the National Association. The conditions of local bodies are always reflected in the deliberations of, and consequent actions proposed by the National organization. It is unfortunate, but nevertheless true, that not all local associations are progressive, and some are not even fairly active. At every National Convention there are always a number of associations which have not a single representative on the floor.

If it is true that the spirit displayed in a local association not only makes Life Insurance history, so far as its particular locality is concerned, but either assists or embarrasses the National Association, it behooves us to give our attention to two practical aspects of association activity which frequently are "the root of all evil."

The history of the National Association proves that it sometimes requires years of arduous missionary work to build up a local association so that its individual members will be inculcated with a proper and just appreciation of what the association movement represents. Generally this is the work of a few stalwart spirits who, for a time at least, are ethically in advance of prevailing opinions and practises. And in the work of these pioneers lies a great secret as to the ultimate results which will accrue.

An efficient local association does not spring into existence in a day or a year. The true association spirit is not engendered by spontaneous combustion, but comes as a result of careful and painstaking education as to the ethics of the profession. Most men, at first, see "nothing in it," and it takes time and a great amount of personal effort on the part of a faithful few to convince these men to the contrary. But in this respect the association spirit is generally cumulative, and the largest and most successful local associations of this day are those in which the founders and charter members have not lost interest, but, on the

Horace Greeley said, "GO WEST, YOUNG MAN." We add, "TO THE PACIFIC WITH WARD." Good opportunities for young men.

**Write H. H. WARD, Pacific Mutual Life,
Title and Trust Building, Portland
Hoge Building, Seattle**

(NOTE—Nov. 1, 1913, we moved our Portland Office to larger quarters in the Title and Trust Building, Portland, Ore. Our Seattle Office remains in the Hoge Building.)

other hand, stand by ready to assist in every manner possible.

A reversal of these conditions is nearly always fatal to the life of an association. Show us an association where a president serves out his term and then steps to the rear ranks, apparently losing all active interest in the organization, never encouraging, but frequently criticizing his successor, and we will show you an association headed for the rocks. There are such associations as these, and the general rule seems to be, if we might put in words the attitude of former presidents and other officers to the present president and other officers: "I have had a hard time during my administration, but I'm through now. Let this poor fellow fight it out alone." Such conditions exist, although they are fundamentally opposed to the true association spirit.

To build up a local association to its maximum strength it is absolutely necessary for former officers to take an active interest in the affairs of the organization. A tactful suggestion or hint to your successor or your successors's successor may be more valuable than you would think possible. Certainly you learned some things during your administration which the present administration should know, and it is your duty to make your experience valuable by passing it on to one who will doubtless thank you for it. Team work often works out well in the actual solicitation of business, and it is safe to assert that no association can flourish without it.

There is another situation which occasionally arises in connection with local associations; one which has doubtless caused more dissatisfaction and internal dissension than any other; an unwise selection of officers and members of the executive committee. One might compare a life underwriters' association with a local branch of a labor union. It is not always the efficient workman who is elected as an officer of a labor union. Perhaps more often than we know a proclivity to politics, or just a plain "gift of gab," has been responsible for the elevation of an illiterate bricklayer to a walking delegate of a labor union. Just so it is not always the most efficient life underwriter who is elected to fill the responsible offices of the association. Politics are sometimes permitted to enter, and the standing of the local body with the National Association, as well as the standing of the local body with the insuring public of the locality in which it is situated is vicariously sacrificed.

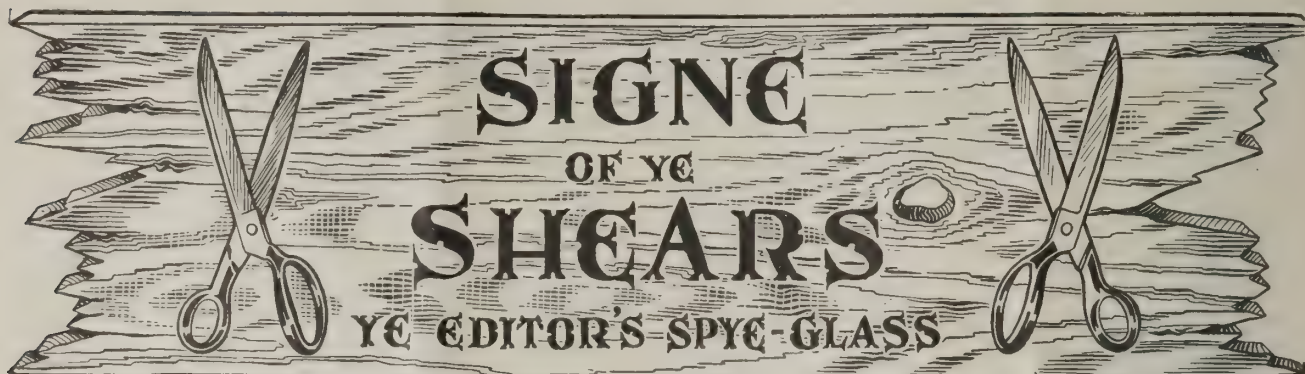
It is natural that an officer of a local association—particularly a president—will, through the medium of the daily press, receive more or less gratuitous and favorable publicity, but the publicity which will be given to the association will be tempered by the reputation of its president as it is observed by the people of the city in which the local body is located. Members of organizations affiliated with the National Association should, in justice to themselves and to their associations, eliminate from official recognition the aspiring member whose object is personal aggrandizement through the capitalization of newspaper publicity. Thoroughly unselfish effort is the solution of the problem of maintaining a live, aggressive association.

All things considered, local bodies in electing officers, would do well to take into account whether or not a candidate's company is willing to endorse him as to his business principles and as to the volume and quality of the business he places on the books.

**Would you care to make yourself a
Christmas Present?**

**Just send us a check for \$1.50 and
we will mail you a copy of the
Proceedings of the Atlantic City
Convention.**

**There are very few copies left, so
if you want one act with celerity.**



The State Life Fund of Wisconsin.

State life insurance is now in operation in Wisconsin, the first policies being issued on Oct. 20. The scheme is known as the State Life Fund of Wisconsin. J. W. Ferguson, Insurance Commissioner of Oregon, is strenuously advocating a similar plan for his home State, and recently the Ohio Federation of Labor adopted a resolution in favor of the establishment of a life insurance department by the State, where all kinds of insurance contracts might be secured.

The principle facts in connection with the Life Fund of Wisconsin are these: Seven forms of policies are at present issued, and of the 200 applications received, one-half were made by the class of 1913 of the University of Wisconsin to establish a loan fund. No policies for more than \$1,000 are at present issued, and the premiums are no lower than those of old line companies, except on a few forms. No paid agents will be employed, but applications will be received by the officials of towns and cities, officers of banks which receive State deposits, and by State factory inspectors. However, the law permits the person transmitting the applications to retain 25 cents for each application and a fee of one per cent. on the amount of the premium. Persons submitting applications are not required to take out a license.

And Herman L. Ekern, Insurance Commissioner of Wisconsin, is responsible for the travesty.

An editorial in the Milwaukee *Evening Wisconsin* declares: "Those responsible for the State life insurance had have engrafted an excrescence on the body of government."

To the life underwriters the working of the Wisconsin scheme will be a matter of deep interest, not from fear that it or any analogous schemes which may be tried by other States will make serious inroads on the business of private companies immediately, but rather to note if, with all the power at its command, and with all the available facilities at its back, the State can devise improvements on present methods and carry life insurance development along a higher plane than that on which private enterprise has placed it.

Life underwriters will also look keenly, as will company officials, at what sort of administration the State will give its own insurance affairs. From the viewpoints of efficiency and economy any State administration starts under a cloud of suspicion from the very nature of our political system, and our habit of choosing our administrators by the test of "pull" rather than by the gauge of ability for the specific work to be done. That there are plenty of brainy men in officialdom will be readily admitted, but the vast majority of those selected for public duties are not the best to be had, nor even fairly competent to meet the demands of the positions they manage to push themselves into. We have evidence of this all over the country, and unless in State insurance there is radical departure from present political practise it will be maladministered.

The application of the science of insurance is a peculiarly delicate work and calls for the trained adept, the man born with the particular faculties needed and with those faculties trained to a nicety. We can scarcely look for such men to be employed under a political system where efficiency is possible to secure, but is not made the prime and ultimate test.

It is useless to take data from the administration of public utilities in Europe, where selections of men for governmental work is differently conducted and where conditions are as foreign to us as the countries themselves. Such data are inapplicable. Accepting affairs as we have them, and there are no indications of any coming change, the widening of the scope of government service for the people gives no promise of either added efficiency or economy. The indications are all the other way.

There is this consolation, however, that here an unwise extension of the government control of public utilities is after all subject to popular judgment, and an experiment which proves wasteful or is allowed to lapse into a refuge for the political parasite may be abandoned and allowed to revert to the management of those who know how to operate it to the best advantage generally.

Fraternal Insurance and the Proposed Campaign of Education and Conservation.

"What will the leaders and managers of fraternal insurance societies in this country think—when from the pages of their morning paper and their magazines there suddenly confronts them a series of bold, ingeniously worded, peculiarly alluring advertisements aggressively setting forth all of the benefits of old-line insurance, and belittling the fraternal system by insinuation and innuendo?"

What is the answer? W. G. Critchlow, Supreme Commander-General, The International Liberty Union of the World, has propounded this question in a communication appearing in a recent number of *The Fraternal Monitor*.

Mr. Critchlow has many good ideas—good in that they furnish us with a score of excellent arguments as to the benefits which would accrue to legal reserve life insurance in the proposed country-wide campaign of institutional advertising. He is, of course, needlessly apprehensive as to the purpose of the educational and conservation plans now under consideration by the National Association, as they relate to the fraternal system of insurance. The project is not to KNOCK fraternal insurance, but to BOOST legal reserve life insurance. Legal reserve life insurance will be perfectly willing to let the public—the enlightened public—decide as to the relative merits of the two plans of insurance.

"They (the fraternal insurance societies) will be prompt to act and defend their interests," says Mr. Critchlow. "But then it will be too late. For it will have taken much time and expense to have developed this system of advertising old-line insurance to that present condition, and the campaign will then be in progress, properly financed and officered. Before its effect could be in any way nullified the fraternal system of insurance would be blackened and vilified by crafty managers throughout the length and breadth of this land.

"Hundreds of thousands of fraternalists use Uneeda Biscuits—Why? Because of the great power of continual attractive advertising."

"It floats—99 and 44.100% pure"—Why do we use Ivory Soap? Why not any one of a dozen more kinds for sale in every grocery and drug store? Because of the great power of advertising conducted by brainy men with plenty of money, who know the science of making the people believe what they themselves believe.

"Why is Mennen's Talcum better than twenty-five or thirty other kinds? I say it isn't—yet this man Mennen has, within a comparatively few years, risen from a poor, obscure druggist to that of a millionaire many times. All through the power of advertising, by keen, brainy advertising men who know the HOW and WHY, and WHEN to so conduct their advertising as to make the people believe what they want them to believe.

"I could go on with these illustrations indefinitely, but it is not necessary. The same basic process and science that advertising has used in other fields of endeavor is NOW GOING TO BE APPLIED TO THE INSURANCE BUSINESS.

"The old-line insurance forces are this very minute marshalling their power, organizing it into a cohesive organization for the purpose of financing and conducting a nation-wide advertising campaign of old-line insurance. I am in a position to say that enough power is now behind the movement to warrant the assumption that the campaign will be carried out in its entirety and on a gigantic scale."

Now, here is where Mr. Critchlow gets down to brass tacks, for in the following paragraph is found the gist of the entire subject:

"And mark well this: Once the life insurance business is put into advertising in the proper way, backed by the right amount of money, handled by the keenest and brainiest advertising salesmen in the country—IT WILL BE THERE "FOR KEEPS." Any product to be sold to the people, when properly advertised and handled, is at once so successful that the plan of presenting it through advertising is permanently adhered to."

Life Insurance and the Public Schools.

Early in the present year four members of the Richmond association delivered lectures on Life Insurance before the students of the Richmond High School, and there is considerable evidence to prove that the course was not without its benefits. A few days ago one of the solicitors of former National President Neil D. Sills came in and told that gentleman that he had been interviewing a certain man as to the advisability of taking out some life insurance. After the solicitor had finished his conversation, a boy of about sixteen years of age, who was employed in the office, began to question him about life insurance. To the surprise of the solicitor, the youth possessed more knowledge concerning the business than would be reasonable to expect.

The agent, who was quite unaccustomed to meeting anyone even of more advanced years so well informed on the business, asked the lad where he had obtained his information, and he replied: "I attended High School last session and we had some talks up there on Life Insurance."

Mr. Sills considers this simple incident a strong endorsement of the benefits of educational work, particularly in high schools. Vocational training in the public schools of this country will undoubtedly in time to come be given greater consideration than at present. Although many of the local associations have established courses of lectures in High Schools, there is a wide field open for a concerted and systematic campaign along these lines.

Surprising results have been obtained in courses of vocational training which have not included Life Insurance. An interesting example of what may be accomplished, and one, too, which will impress members of the National Association

interested in the education and conservation movement, will be found in the movement on the part of many prominent department store owners in various parts of the country to have courses in vocational training, including salesmanship, instituted in the public schools.

This was recently brought to light in a report submitted to the Board of Directors of the National Retail Dry Goods Association. The report was made by Miss Elizabeth Gannon and was in connection with the Union School of Salesmanship in Boston.

This school was founded in 1905 by Mrs. Lucinda W. Prince, and is now carried on jointly by the Women's Educational and Industrial Union and Simmons College. The success of the school is indicated by the fact that store officials testify frequently that the girls who attend the courses sell more goods in their afternoon at the store than do the others during the entire day. Last winter a canvas was made to ascertain whether or not the school was of benefit to those who attended and 145 of the 195 girls questioned stated that they had received advances within the year. Fourteen of them held executive positions paying from nine to twenty-five dollars a week.

We have been informed that through this school, and the teachers it trains in its normal course, the general teaching of salesmanship in the public schools seems to be in sight. At the present time such courses are offered in Buffalo, Cincinnati, Los Angeles and in Boston. All of which demonstrates beyond the possibility of doubt that vocational training in Life Insurance in the public schools is far from being an impossibility and that the opportunities for developing such courses are many.

What the Magazines and Newspapers Are Doing.

One would imagine in glancing through the daily newspapers and magazines issued prior to the holiday season that the people of the country had suddenly gone book mad. Mountains of volumes in the department stores lend additional support to your belief. Many thousand books are sold yearly, but the number of people who buy books other than novels is comparatively small. Assure a publishing house of a positive disposal of even five thousand copies of a book selling at \$1.50 and the publishers will gladly take the contract.

Therefore, it is reasonable to assume that the appearance of a number of books within a year on any given subject does not necessarily prove a popular interest in the subject discussed. According to Algernon Lee, Educational Director of the Rand School of Social Science, the contents of the fifteen-cent monthly magazines is perhaps the best barometer of public opinion in the United States. Mr. Lee values the influence of the monthly magazines very highly, for he said recently:

Everybody buys daily newspapers, and no one reads more than a small part of what is in them. The daily editor's rule must be that, if a subject commands the attention of even a small fraction of his local public, it deserves at least a little space. But the monthly magazine is neither a necessity of life for all nor a luxury for the few. In order to live, the magazine must sell in the hundreds of thousands. In order to sell, it must be "live" from cover to cover. Each month's contents determine the next month's sales. The reader wants the full value of his fifteen cents, and something more. He is a capacious critic. Like Marie Bashkirtseff, "he dislikes the things that he dislikes more than he likes the things that he likes." The magazine editor, accordingly, eager as he is to have positively attractive "features," is still more intensely fearful of putting in a single article that will offend or fail to interest even a minority of his readers.

Keeping this expert opinion in mind, the members of the National Association have every reason to congratulate them-

selves on the attitude of several of the well-known monthly and weekly magazines. *Collier's* has for some time past devoted considerably space to valuable matter on Life Insurance. *McClure's*, *Harper's*, *The Independent*, *The Outlook*, *Leslie's* and *System* have all taken up various phases of the business under intelligent and sympathetic direction. Indeed, it is possible now to look forward to the day when Life Insurance will be one of the real problems of popular discussion.

The daily and Sunday newspapers are also doing the cause an inestimable amount of good. *The Philadelphia Evening Telegraph* has been publishing an excellent series of articles, calling attention to the necessity of life insurance, forcefully pointing its stories with apt and practical illustrations. *The St. Louis Republic*, in its financial department, is weekly publishing educational articles, written by William King, secretary of the St. Louis Association. Mr. King's stories are for the layman, and he has successfully endeavored to tell certain fundamental truths simply and without confusing technicalities.

Among the other newspapers which are evidently willing to give space to news stories and to make editorial reference to Life Insurance are: *The Pittsburgh Dispatch*, *The Chattanooga News*, *Harrisburgh Telegraph*, *New York Times*, *Omaha Bee*, *Chicago Daily News*, *Gardner* (Mass.) *News* and *Merrill* (Wis.) *Herald*.

Meeting of Life Insurance Presidents.

(Continued from page 11.)

and there is added to this the least suspicion against the integrity of the institution itself, it would have to face an exceedingly difficult and embarrassing situation."

In concluding his remarks, Mr. Childs said in part:

"How then are we to thus educate the public?"

"In the first place we can do this by making the loan a real loan, a promise to pay at a definite time. Such an obligation will impress upon the borrower the necessity of repaying his loan.

"The experience in my company with premium notes, which are personal obligations, has been very satisfactory, and I feel that we can get the same result by making policy loans personal obligations.

"In the second place, these personal obligations should be made with a promise to pay at a definite time and thus take their place in the financial world with other personal obligations adequately secured. Let the rate charged depend upon the price of money in the particular locality and for the definite time the loan has to run. The ever-present economic play of money finding its level will prevent such a method from working any hardship upon the borrowing policyholders.

"In the third place we should improve the character of the service which we are furnishing the public through our agents."

Life Insurance and Business.

George I. Cochran, president of the Pacific Mutual Life Insurance Company, followed Mr. Childs and discussed "Life Insurance as an Aid to Business." The speaker deplored the socialistic tendency which existed to a greater or less degree in various communities and based his hopes on the prosperity of the country on the American business man. He advocated the doctrine of developing a hard working, saving and industrious people. He praised the gospel of thrift and claimed that an attitude other than this would mean inevitable ruin and universal poverty. "The theory of insurance," said Mr. Cochran, "is to so spread the risk that in case of loss by any one individual a very small contribution from all the others (in fact, so small that it does not materially affect them) makes good the loss sustained by the aforesaid individual. This is the same theory which civilization is trying to apply to all the affairs of life, with the hope that in due time all of the ills and misery of the whole world will thus be alleviated."

His address was to a large extent devoted to life insurance as a protection for business interests rather than a protection to the family.

Henry Moir, actuary of the Home Life Insurance Company of New York, was the last speaker at the morning session, his subject being, "Disability Benefits—Insuring Insurance." In elucidating disability benefits, Mr. Moir claimed that it was just as sensible a provision in a life insurance policy that premiums should cease with a loss of activity as it is that premiums cease after a fixed and limited sum of years. Basing his arguments on this premise, the speaker developed his theme with a keen insight of the business. He took exception to the statement which is made by some companies that no extra premium is charged for disability benefits, and called attention to the fact that 110 out of 161 companies reported that no extra premium is charged. "The premiums in common use," said Mr. Moir, "for participating life policies generally contain a sufficient margin to cover the cost of this disability feature; and it may be legitimate to treat the cost as a deduction from the dividends which may be earned; but it is clearly and grossly wrong to try to impose upon the public the idea that something is being given for nothing."

Federal Supervision.

Hon. Burton Mansfield, Insurance Commissioner of Connecticut, was the first speaker at the afternoon session. He made a remarkably strong plea for federal supervision and told what this would mean to policyholders. In tracing the growth of opinion in favor of national supervision, the speaker, of course, found it necessary to frequently refer to the decision of the Supreme Court in the case of *Paul vs. Virginia*, in which decision the Supreme Court refused to construe insurance as commerce. Reference was made to the fact that when the State of Massachusetts established its insurance department and placed it in care of Elizur Wright, that gentleman declared himself to be an advocate of federal supervision. The Insurance Commissioner of Connecticut in his report of 1865 also advocated the organization of a National Bureau. Coming nearer the present time, Mr. Mansfield said that in 1905 President Roosevelt suggested an inquiry into the constitutional right of Congress to regulate the matter, and the American Bar Association and other organizations of trade had declared themselves strongly in favor of federal supervision.

As to the future possibilities, the speaker made two suggestions. One was an amendment to the constitution and the other was that the Supreme Court might part from its previous decision.

Mr. Mansfield's opinion as to what would constitute ideal supervision was in part as follows:

Ideal Supervision.

"The ideal method of supervision, it seems to me, would be a system organized and controlled by the general government, with one superintendent at its head and with as large a force of assistants as would be necessary to supervise thoroughly and well all insurance companies, corporations and associations, doing business in the United States, outside of the State of their incorporation. Such a system should be on a larger and more efficient foundation than the supervision of the national banks is to-day. If necessary, subordinate offices should be opened and operated in important cities, such as Boston (I would prefer Hartford), New York, New Orleans, Chicago, Denver and San Francisco."

Chairman Ide, at the conclusion of Mr. Mansfield's address, introduced Hon. William P. White, Canadian Minister of Finance, who extended felicitations and spoke briefly of insurance conditions in Canada.

Dr. Rupert Blue, Surgeon General, United States Public Health Service, was one of the speakers at this session and discussed "Conservation of Lives—Essential Health Reforms Needed by the Average Community." The medical fraternity was also represented by Dr. Victor C. Vaughan, dean Department of Medicine and Surgery, University of Michigan,

and president of the American Medical Association. In summing up his remarks Dr. Blue stated that the most needed reforms in public health administration were a higher degree of co-operation between public officials, the employment of full time workers, the establishment of laboratories, the accurate collection of vital statistics and the appropriation of sufficient funds for the accomplishment of these things.

Dr. Vaughan's address bore the caption "The Doctor's Dream" and aside from the information conveyed it was interesting because of its novel treatment.

The star feature of the afternoon session was the address of Hon. William H. Taft, ex-President of the United States. Mr. Taft's remarks were informal in character. Having overheard a portion of Commissioner Mansfield's address, Mr. Taft took occasion to give his opinion as to the possibilities of federal supervision, saying in part:

Hon. William H. Taft Speaks.

"The Supreme Court says you are not engaged in interstate commerce—negotiations which go on between your agents and the gentlemen who contribute to your capital are not across State lines; they are conducted right in his office; at least that is my experience. It may be we could have an office like the Agricultural Department or like the Educational Department, an office of research and of suggestion and for the making of standards and if your companies would like to have the agents of the federal government examine you all and report their judgment on that subject, I don't know that there is any reason why, if Congress is willing to appropriate the money, it should not be done. That is the proper office of the Educational Bureau in Washington, but up to this time they have not had the money with which to make the necessary examinations as to education in each State and to introduce a standard to give the people of the State some knowledge as to how their money is being expended, and therefore the Bureau of Education is not fulfilling all the functions that it might fulfil under the federal government. Of course, there can be no direct control by the federal government of education any more than there can be of insurance; but I doubt not that an office of that sort—we have no control—excuse me—the habit of getting into the first person, plural or singular, has not left me as yet. I was about to say that in the Agricultural Department there is no real jurisdiction of a direct character over the farmers of the country, but the information which the Agricultural Department furnishes is so valuable that it does exercise a very considerable control; but it is only, properly speaking, a department of research and of the giving of information."

The Medical Fraternity.

At the morning session of the second day, William T. Sedgwick, professor of biology and public health, Massachusetts Institute of Technology, gave further emphasis to the movement for the conservation of health, by delivering an address on "The Public Health Movement—To-day and To-morrow." In concluding his remarks he claimed that in all probability many a company had been saved from ruin by the increase in longevity brought about through the public health movement of to-day.

Frederic W. Jenkins, president of the Security Mutual Life Insurance Company, of Binghamton, N. Y., then delivered his report as chairman of the Health Committee of the association, after which the session was thrown open to a general discussion with the understanding that no speech should exceed a ten minute limit. Chairman Ide invited those present to discuss policy loans, group insurance, business insurance, disability benefits, or any other question which had been discussed at previous sessions. The Home Office was well represented, and Julian S. Myrick, chairman of the Executive Committee of the Life Underwriters Association of New York, represented the field by discussing life insurance as an aid to business, making particular

reference to the small individual employer who runs a moderately large business.

At the afternoon session, Hon. James R. Young, president of the National Convention of Insurance Commissioners, and Commissioner of Insurance for North Carolina, took up the question of the interdependence between Life Insurance and the State. Mr. Young was followed by Henry Abels, secretary of the Franklin Life Insurance Company and president of the American Life Convention, who discussed the interdependent relationship existing between life insurance companies.

The third speaker in the trilogy of interdependent relationship was Ernest J. Clark, president of the National Association of Life Underwriters. Mr. Clark's subject was "The Relationship Between the Agents and Policyholders." The full text of Mr. Clark's speech will be found elsewhere in this number.

L. Goldman Springs Surprise.

As stated in our introductory paragraphs, L. Goldman at the conclusion of the meeting expressed his views of the proposed campaign of education and conservation of the National Association of Life Underwriters. Mr. Goldman said in part:

"I was very much interested in the gentlemen who were talking about educational propaganda among the young people. That is very important, but I think also that the insurance companies can do something in that direction themselves. The National Association of Life Underwriters, also the Association of Life Underwriters of Canada, have brought this subject to the attention of the executive officers. I fear they have not received very much encouragement from the powers that be on this side of the line. They have received some little encouragement from the powers that be in Canada; it is with regard to the advertising propaganda. The opinion is felt and has been expressed, and I agree with it, that there is an immense amount of money wasted by life insurance companies in the form of advertising that has been carried on for a number of years. A company will advertise its name, or one or two of its executive officers. Also the enormous assets they have, a large surplus—that conveys nothing to the ordinary reader. It would not to me, if I was not an insurance man, and I think if the companies seriously consider the subject and joined together in an educational propaganda to bring before the people in some form, as one or two companies have endeavored to do, the importance of this subject, I believe it would be of great assistance to our agents."

Favorable Consideration Suggested.

"Take for instance, in some distant parts of the country, where the people have a newspaper once a week. They read that through from beginning to end, even the patent medicines, hair restorers, and all that sort of thing. Now, if you had good reading matter, good common sense reading matter, some important thing that occurred lately, and we have them repeatedly, to bring before the people, I believe they would read it, and when the insurance agent came along, the ground will be prepared for him. It would have been sown and he would have had a chance to reap the crop. Now, the agent, the man behind the gun, the men who are being worked on the ground, know the evils that agitate the people, and I should be very glad if the executive officers of the company would give it their favorable consideration, as I have done."

At the executive session, held on the afternoon of Dec. 11, officers were re-elected for the ensuing year as follows:

Robert Lynn Cox, general counsel and manager; Alfred Hurrell, attorney; John J. Brinkerhoff, actuary.

The following executive committee was re-elected:

Robert Lynn Cox, chairman; Jesse R. Clark, of Cincinnati, O.; Forrest F. Dryden, of Newark, N. J.; Sylvester C. Dunham, of Hartford, Conn.; Alfred D. Foster, of Boston; L. G. Fouse, of Philadelphia, and W. A. Day, Haley Fiske, George E. Ide and Charles A. Peabody, of New York.

What the Local Associations Are Doing

Life Association News has no paid correspondents. We depend entirely upon the secretaries of local associations to send us stories of all meetings of their respective associations. If an account of the last meeting of *your* association does not appear in this department, ask the secretary of your organization why he did not send us the particulars.

Immediately after each meeting, on the same day if possible, secretaries of local bodies should send us a full account of the business transacted, including copies of all speeches, or extracts from the most important of them.

Akron.

The November meeting of the Akron association was held in the Chamber of Commerce rooms, and consideration was given to a communication from National President Clark on the necessity of appointing a committee on Education and Conservation. Another communication from the National Committee on Taxation was taken up for discussion. A Committee on Taxation was appointed and they will endeavor to have a prominent speaker discuss taxation at the December meeting of the association.

Several communications were read describing a man who is persistently working insurance men in the State of Ohio. He has been at work in Akron, Youngstown, Lima, Wapakoneta and Massillon. He is described as about 45 to 50 years old, 5 feet 10 inches tall, weight about 190, light hair, slightly bald, blue eyes, smooth face, very pleasing appearance and wears eye glasses at least part of the time.

His system is to secure applications from agents, saying he is going to write some acquaintance, and then after writing and effecting settlement he leaves for other fields. If in need of immediate money he may persuade the agent to advance him \$5 or \$10 against his brokerage commission. He has never been known to produce the goods to the agent who fell for his line of talk.

Boston.

Henry A. Macgowan, general agent of the Mutual Benefit at Worcester, Mass., addressed the Boston association at a smoke talk at the City Club on the 10th inst. Mr. Macgowan discussed "Devices for Securing Office and Field Efficiency." He explained the strong points of a card system in use in his office by means of a chart and in explaining the use of the cards said, in part, as follows:

"In advocating the establishment of such a system, I assume that means have first been found for obtaining and maintaining a goodly list of prospects worth soliciting. I believe it is very important that a solicitor should make accurate records of the important data secured in interviews with all persons he regards as prospects. The data should

include the full name, address, occupation, age at last birthday and date thereof and what life insurance the prospect has already secured, with amounts and character, dates of maturity or dates of issue, and if possible, amounts of premiums. Other facts about family history, circumstances, plans for future, etc., will be of value for later reference.

"My record card provides for age at last birthday. Most men can give this information, while many do not readily recall the year of birth, and it has seemed to me that the effort to recall the year of birth often switches the attention of the interviewed from the interviews and the subject, in which his undivided interest is sought.

"The record should also tell whether the prospect is married or not and who is dependent on him.

"My card also calls for the ages of wife, daughters and of sons.

"This information is not usually sought by solicitors. This provision is made because we have entered a new era in life insurance, where the great central thought is the insuring of the insurance, which means the guarantee of not so much life insurance in bulk sum, which has all too often failed of its purpose, but rather, the guarantee of a sure yearly income for wife and children. This was the unmistakable note in the ringing message that went out from the Atlantic City Convention of Life Underwriters to the army of life insurance solicitors throughout the land, and the message is the most inspiring ever delivered to life insurance men."

Buffalo.

Twenty-two new members were admitted to the Buffalo association at its November meeting. President Frank W. Tracy delivered a stirring talk in which he denounced twisting, rebating and the use of defamatory literature.

Chattanooga.

The December meeting of the Chattanooga association was held at the Hotel Patten. T. R. Preston, president of the Hamilton National Bank, was the guest of honor and principal speaker. Mr. Preston strongly emphasized the advantages of the monthly income policy and also spoke on the great advance that had been made in Germany to educate the people of that country to the benefits of insurance.

Chicago.

There were many features to make the twenty-fifth anniversary dinner of the Chicago association a memorable occasion. The meeting was held at the Auditorium Hotel on the evening of Nov. 24, and from a point of attendance it was probably the largest gathering of life insurance men in Chicago since the twenty-second annual convention of the National Association. Eighty new members were admitted, and this eclipses all records of members admitted to any local association at one time. A committee was appointed on taxation and legislation, and another committee on education and conservation. Both committees will co-operate with similar committees of the National body.

A collection was taken up for the benefit of the two homes for crippled children, and this in the aggregate proved to be the largest donation ever secured.

With the addition of eighty new members, Chicago is now the largest association in the country, with a roster of 361 members. In order to stimulate activity in securing new members three prizes were offered, and P. J. Kraus, of the Metropolitan, won the first, with R. C. Moore, of the Equitable, second, and Hervey S. Dale a close third.

The committee appointed on taxation was as follows: Isaac Miller Hamilton, chairman; Courtenay Barber, E. H. Carmack, Darby A. Day, E. H. Ferguson, J. F. Oates and Fred W. Potter.

Jules Girardin referred to National President Clark's communication regarding publicity in the daily press, and announced that two popular publications, *McClure's Magazine* and *Harper's Weekly*, had recently instituted insurance departments. The following members compose the committee on education and conservation: Jules Girardin, chairman;

Fred B. Mason, W. W. Mack, John R. McFee and Lawrence H. Whiting.

Former National President L. Brackett Bishop offered a resolution in honor of James W. Janney, the first president of the local association. The resolution expressed appreciation not only for Mr. Janney's services to the association but for the undeviating conduct of his agency according to the highest ethics of the business.

Winslow Russell, superintendent of agencies for the Phoenix Mutual, delivered his address on "Efficiency." His remarks were along the same lines as his Atlantic City address, and the points brought out were illustrated by charts in similar fashion as at the National convention.

L. H. Whiting, assistant to the vice-president of the Illinois Life, gave some interesting points on the training of agents. In the course of his remarks, he mentioned that Dean Marshall, of the School of Commerce of the University of Chicago, had planned an enlargement of the insurance course in that institution. The speaker mentioned a system which he put into operation with three men at Joliet, which city has the reputation of being one of the difficult towns in the State in which to sell insurance. He first secured three men who knew practically nothing about life insurance—a barber, a switch engineer and a young man of nineteen, who had spent all his life on a ranch. He then drilled these men in the fundamentals of the business and in the principles of salesmanship, after which he compiled a list from the directory of names by streets and secured the credit ratings of all residents from the Commercial Club. The men were then instructed to make twenty-five calls a day, and succeeded on an average of seeing about twenty wives. From these twenty they picked five and arranged for calls when the husband could be interviewed. The result was these three men wrote twenty-nine applications for \$45,000 for the first month, \$31,000 for the second month, and \$56,000 for the third month.

Cincinnati.

J. A. Jackson, head of the literary bureau of the Mutual Life of New York, was the principal speaker and the guest of honor of the Cincinnati association at its monthly meeting and luncheon on December 9, at the Business Men's Club. During the business session, announcement was made of the course of lectures to be delivered monthly at the Cincinnati University.

Mr. Jackson dwelt principally upon the benefits of life insurance education. C. Burgess Taylor, general agent for West Virginia of the Northwestern Mutual Life, spoke briefly upon the necessity of full knowledge of the business by solicitors.

Cleveland.

Winslow Russell, agency manager of the Phoenix Mutual, delivered his lecture on "Efficiency" at the last meeting of the Cleveland association, which was held at the Hotel Statler on the 2d inst. Attendance was unusually large, with approximately 150 members and guests present.

Mr. Russell, as usual, illustrated his talk with charts. E. R. Putnam, former president of the Pittsburgh association, made a few remarks in which he referred to the local body as a formidable rival of the Pittsburgh association.

Henry Farmer, of Detroit, who was last year president of the Detroit association, was one of the guests of honor, and told of the good work local associations had done in eliminating twisting, rebating, abstracting and other evils.

Col. Will A. Waite, who was secretary of the National Association for several years, spoke briefly and suggested that the association make an effort to win the attendance trophy which is the subject of annual competition between local associations. Miss Whitney entertained with two recitations. Several new members were elected.

It was the opinion of W. H. Whitney, chairman of the Executive Committee, that a bill exempting insurance premiums from taxation might meet with some degree of favor, but at the present time he was not optimistic over the out-

come, because of the material reduction in taxes due to such a large number of saloons going out of business under a law passed by the last Legislature.

Herman Moss, as chairman of the Publicity Committee, told how the newspapers and magazines were beginning to publish educational matter on life insurance. He recommended the use of display advertising in such papers, and a resolution was adopted asking for subscriptions to a fund to promote this work.

Columbus.

Seventy members of the Columbus association dined at the Chittenden Hotel on the evening of Nov. 14 and heard Charles W. Scovel, Pittsburgh, former president of the National Association. The speaker's subject was "The New Family Service of Life Insurance." Mr. Scovel developed the theme on lines parallel to his address on the same subject at the Atlantic City convention.

The association voted to send flowers and best wishes for the speedy recovery of its former president, Fritz A. Lichtenberg, who is ill with rheumatism.

Connecticut.

At the December meeting of the Connecticut association, held at Hartford on the 5th inst., a motion was made by E. R. Ransenhousen, of the Western Massachusetts association, suggesting a meeting once a year of all the local associations in New England, the place to be decided upon by representatives from the various local bodies. This matter was discussed, and Secretary Stein was authorized to correspond with the secretaries of the other associations, requesting each association to elect a representative to discuss the matter at a conference in Hartford. Griffin M. Lovelace, superintendent of agencies of the Connecticut Mutual, delivered an address, which was enthusiastically received.

Delaware.

A regular meeting of the Delaware association was held on Nov. 25 at Hanna's restaurant, in Wilmington. The minutes of Sept. 30 and Oct. 28 and of the executive committee of Oct. 24 were approved.

On motion of Charles B. Palmer the association adopted a vote of thanks to the *Every Evening*, *Evening Journal* and *Morning News* for the excellent reports of the meeting of Oct. 28, when National President Clark was the guest of the association. The secretary announced that he had been appointed a member of the membership committee of the National Executive Committee.

A letter was read from National President Clark urging the co-operation of the association in the matter of education and conservation, and on motion of Mr. Palmer the chair was directed to appoint a committee of three, the same committee to have charge of giving news to the press. The president appointed Messrs. Palmer, Sheppard and McDonagh as the committee, it being understood that the president is a member ex officio of the committee.

A letter was read from Edward A. Woods, Darby A. Day and John Dolph, the committee on taxation of the National Association, asking our co-operation in the movement, and on motion of Mr. Sheppard a committee of three was authorized to co-operate with the National Committee. The president appointed Messrs. Knox, Alberti and Price as the committee on taxation.

President Price reported that he had interview with Professor Twitmyre, of the public schools, towards the presentation of the subject of Life Insurance before the pupils of the High School, and stated that Professor Twitmyre said that the matter would be passed upon by the teachers' committee of the High School.

Detroit.

C. Leidich, a well-known steamship agent, delivered an illustrated lecture on German cities before the Detroit association at its regular monthly meeting, held on the evening of the 1st inst. at the Elliott, Taylor & Woelfenden Cafe. Under the subject of "Efficiency in Soliciting Life Insurance," A. C. Utter, general agent of the New England Mutual, gave

a practical talk based upon his own personal experience in the field. He claimed that the field methods of life insurance were far behind the times as compared with other lines of business, and told of the need of intensive cultivation. He also urged the necessity of systematic work, regular hours and a strict report of the solicitor's time.

M. H. Zacharias, general agent of the Connecticut Mutual, was one of the speakers, and stated that approximately 66 per cent. of new business written in his agency was upon old policyholders or members of their family.

M. E. O'Brien, president of the Detroit Life, made a plea for co-operation and a greater degree of tolerance of the younger companies. Several new members were elected.

Lawrence C. Hull, chairman of the Lecture Committee, stated that arrangements had been made with the school authorities for a lecture on life insurance at the Eastern High School by Franklin B. Mead, secretary and actuary of the Lincoln National.

Erie.

The Erie association at its November meeting adopted the suggestion of the National Committee on Taxation to set aside one meeting a year to be entirely devoted to the subject of Taxation, and a committee on Education and Conservation to co-operate with the National Committee having that matter in hand was appointed, after James M. Dickey had explained the importance of the matter. There were no formal talks, but the gathering proved to be one of the best held this season.

Fort Dodge.

The regular December meeting of the Fort Dodge association was held on Dec. 6 in the office of C. A. Peterson. The principal feature of the meeting was a paper read by Mr. Peterson on the subject of "The Life Insurance Agent's Relation to His Company and the Policyholder." Mr. Peterson stated that this subject was one of the most important ones in the life insurance business, as it deals with a two-fold responsibility of the agent.

Following the reading of Mr. Peterson's paper the members considered a campaign of education in the form of a series of three lectures to be delivered during the winter months at each of the business colleges and at the high school. The committee on publicity selected the following members of the association to take up this work: First lecture, "The History and Scope of the Old Line Life Insurance Business," by M. V. Keith; second lecture, "The Actuarial Department of Life Insurance Companies," by Burton H. Saxton; third lecture, "Policy Forms and Conditions," by J. O. Broleen.

Indiana.

The Indiana association held its December meeting on the first of this month at the Chamber of Commerce in Indianapolis. On motion of George R. Wilson the following resolution was unanimously adopted:

That this body of Life Insurance men in the State of Indiana sends its felicitations, congratulations and all that it has of good and true wishes to Dr. Henry C. Martin, in this the 80th year of his life, and the 35th year of *Rough Notes*, the product of his masterful mind and prolific pen;

That this body of men, as a unit, acknowledge its debt of gratitude to the founder of *Rough Notes* for his mighty efforts in advocating all that is upright and honorable in life insurance work, and for his wisdom and foresight as exemplified in his editorials, his daily walk in life and the good that he has done;

That we wish him many years of continued prosperity and happiness, and all that his heart might desire.

G. S. BREWSTER, President.

Attest: GEORGE R. WILSON, Secretary.

Dated Indianapolis, Ind.,

Dec. 1, 1913.

Warren C. Flynn made a report for the press committee and Messrs. Young, Flickinger and Wilson were appointed his assistants for two months.

President Gary S. Brewster then introduced Lyndon D. Woods, president of the Pension Mutual Life Insurance Company of Pittsburgh. Mr. Woods states that the life insurance business was the best business on earth, and claimed that it had gained more during the year just about to close than any other one business. He stated that a prospect judges a company by its agents, and that out of 4,000 men he found that the majority of those who failed did so through wine, women and cards. Those who won attained their success by means of high ideals.

William E. Osborn was the next speaker and gave an excellent talk on "The Ethics of Soliciting." Mr. Osborn touched on a large number of subjects and it was his opinion that the past should be forgotten. He urged his audience not to misrepresent their competitors' contracts nor to misrepresent their own contracts. He claimed that part-time men cheapened the profession and discouraged new men, and that insurance commissions should be for insurance men. At the conclusion of Mr. Osborn's address, Isaac Pinkus endorsed Mr. Osborn's remarks, particularly with regard to conditions in Marion County. E. F. Folson said that he was not entirely opposed to part-time men, holding that they may develop to full time men. He also spoke on the ethics of converting term insurance.

On motion of Edward H. Young a general business session will be held on Dec. 27, subject to such changes as the chairman of the entertainment committee may find necessary. At this meeting converting term insurance is to be fully discussed. Ford B. Woods, of the Phoenix Mutual, was admitted to membership.

Kansas.

Glover S. Hastings, superintendent of agencies of the New England Mutual, was the principal speaker at the regular November meeting of the Kansas association. The meeting was held at Topeka on the 17th of that month.

Mr. Hastings put particular emphasis on the comprehensive scope of the life insurance field and dwelt to a great extent upon the remarkable development of life insurance in the last five years and the great possibilities for field work.

"The tendency now is to get away from figures and to use illustrations," the speaker said. "You must remember that though your prospect may be a king in his own business, he is probably a mere child in life insurance, and kindergarten methods of instruction ought to be given him."

Knoxville.

The resolution adopted by the National Committee at Atlantic City in regard to excessive taxation was adopted by the Knoxville Association at its last meeting, which was held on Nov. 29 at the Cumberland Club. The principal business was the appointment of the following standing committee to look after this subject: J. N. Ellis, W. J. Anderson and J. V. Rymer. It was agreed to hold a public meeting in the near future, to which the public would be invited as well as local representatives in Congress and the Legislature. The association will now receive non-resident agents as members upon payment of \$2 as annual dues. Such members will have full privileges, except the voting power, and will, of course, be entitled to a subscription to LIFE ASSOCIATION NEWS. Six new members were admitted.

C. A. Bray, special traveling agent of the Vounteer State Life, was a guest and delivered a talk reciting some of his early experiences. Prof. C. M. Himel, representing the Aetna Life, spoke upon the advantages of the association movement.

Lansing.

A new local association was recently organized at Lansing, Mich., and the following officers were elected: C. J. Burnet, president; Charles Van Keuren, vice-president; Arthur Pino, secretary; S. S. Stouffer, treasurer; Executive Committee, Fred C. Holbeck, A. O. Bement and L. B. Hall. Forty-one life insurance men were present, among them

being President Henry Farmer and H. Wibirt Spence, of the Detroit association, and N. E. Degen, former president of the Grand Rapids association. The principal speaker was Commissioner John T. Winship. Commissioner Winship declared in the course of his remarks that his department would not permit any estimates whatever by agents of participating companies on their dividends, and that agents would not be permitted to compare the policies of their companies with those of other companies, unless such comparisons should be complete in every detail. The speaker called attention to the law covering both of these points, which went into effect last August.

Brief addresses were made by the three other guests, Mr. Farmer, Mr. Spence and Mr. Degen. Mr. Farmer talked on the good fellowship features of the association, Mr. Spence on the value of the association movement, and Mr. Degen took for his subject the question of taxation of life insurance funds.

Lima.

It was decided at the December meeting of the Lima association to arrange for an open meeting during the latter part of January. On that occasion there will be some prominent out-of-town speaker. The meeting was held in the Elks' Club private dining room, and Harry L. Bentley, a prominent lawyer and ex-exalted ruler of the Elks' Club, was the principal speaker.

Los Angeles.

At the last meeting of the Los Angeles association a monster loving cup, loaded to the gunwales with California champagne, was passed around the tables. This was the first appearance of the handsome trophy which is to be the object of competition between the Pacific Coast associations. Each of these organizations has a large and active membership. The cup is designed to create a friendly rivalry that will work to the benefit of all the associations interested. These are five in number, situated respectively at Los Angeles, San Francisco, Portland, Tacoma and Seattle.

The trophy has been presented by the following life insurance managers jointly: National Vice-President John Newton Russell, Jr., Hubert H. Ward, W. D. Mead, Pacific Mutual Life, and W. L. Hathaway, Mutual Life of New York. The conditions of the contest are under the control of a committee consisting of C. I. D. Moore, secretary Pacific Mutual Life Insurance Company, Los Angeles; Geo. B. Scott, assistant secretary (Pacific Coast) Metropolitan Life Insurance Company, San Francisco; S. P. Lockwood, vice-president Columbia Life and Trust Company, Portland Oregon.

The terms of the contest have not been formally announced, but it is probable that they will provide for the winning of the trophy by the Pacific Coast association making the greatest increase of membership in a six months' period, with permanent possession as the award for three successive wins. The first period of the contest is to consist of the months of November and December, 1913.

The cup has been sent on a visit of inspection to the several associations interested in the contest. The Los Angeles body is determined to secure the custody of it for the former half of next year. At the last meeting of the local association ten or more new men were admitted, and the individual members were urged to exert themselves to the utmost in a general effort to increase the roll.

The success of the National convention, which will be held in San Francisco in 1915, must depend very largely on the attendance from the coast associations. The effect, if not the chief object, of this trophy contest will be to stimulate enrollment in the local organizations with a view to insuring a creditable representation of Pacific Coast life underwriters at the convention.

At the annual meeting of the association the following officers were elected for the ensuing year: President, A. P. Chipron, Equitable; first vice-president, B. P. Rouse, Mutual Benefit; second vice-president, W. C. Shaw, Metropolitan; secretar-treasurer, W. McClelland, Equitable.

Executive Committee, J. N. Russell, Jr., Pacific Mutual, chairman; F. E. McMullen, Massachusetts Mutual; I. J. Muma, Aetna; G. L. Dickinson, Connecticut General; W. H. Moir, Home.

Louisiana.

The regular November meeting of the Louisiana association was held at New Orleans on Nov. 25 and was preceded by a luncheon. Fourteen new members were admitted. The principal speakers were Wilson Williams, James W. Smithers, T. B. Thompson and Dr. E. G. Simmons.

The executive committee was instructed to consider the advisability of holding regular meetings in the evening instead of at noon, and also the preparation of a program by each company alternately. This meeting was the largest ever held by this association, and an increase of 30 per cent. was shown in the membership since October.

It was resolved to endeavor to institute a series of lectures on "Life Insurance" at Tulane University. It was also decided to make a special effort to increase the membership, and for the present at least to suspend the \$2 initiation fee.

Louisville.

Several members were admitted to the Louisville association at its regular monthly meeting held on the evening of Dec. 8 at the Tyler Hotel. Hon. Wm. Marshall Bullitt was down on the program for an address, but was unable to attend. A special meeting was therefore called for the 15th inst., at noon, when Mr. Bullitt will deliver his address. It was announced that at the February meeting of the Association Winslow Russell, agency superintendent of the Phoenix Mutual, will deliver an address on "Agency Efficiency."

Central Massachusetts.

The Central Massachusetts association held its regular monthly meeting on the 10th inst. at the Automobile Club, in Worcester. Regular routine business was transacted and Otis D. Arnold was elected as a delegate to attend a conference to be held in Hartford, for the purpose of arranging a congress of local associations throughout New England.

Western Massachusetts.

"Life Insurance as a Profession" was the topic considered by the members of the Western Massachusetts association at a meeting held on the evening of the 11th inst., at the Nelson Haynes Hotel, in Springfield. Two addresses were delivered on that general subject, one by Stewart Anderson, of the Massachusetts Mutual, and the other by Griffin M. Lovelace, superintendent of agencies of the Connecticut Mutual.

Mr. Anderson spoke of the newer ideals that had arisen in the life insurance business in the last few years and reviewed the qualities that the man who is true to these ideals should have.

Mr. Lovelace claimed that life insurance is coming to have more the attributes of a profession and that those who make it their life work are coming more and more to feel a professional responsibility. He spoke of some of the necessary attributes for success and emphasized the necessity of experience as well as theoretical knowledge.

Henry S. Waldron was appointed from the local association to confer with other delegates from the New England associations with regard to having a congress of New England associations.

Minneapolis.

The principal feature of business of the November meeting of the Minneapolis association was the adoption of certain recommendations of a special committee appointed some time ago to suggest plans for the betterment of the association. After the report of this committee the association decided to adopt the following features of the report: That the prominent feature of the meetings be instruction, and that the time spent in eating be shortened by having a less elaborate lunch and by having the same served as quickly as possible, thus giving more time for the real purpose of the meeting. It was further decided that the purpose of the association be made known to the insurance public by such advertising

methods as the members thought best, and that each member be required to pay his proper share of such expense based on the amount of paid-for insurance written by him. That the high standard of the association be kept up, and that, by making known the purpose and nature of the association, the public may learn to recognize that membership in it stands for what is right and proper in the profession.

Additional recommendations were to the effect that each general agent be urged to propose eligible solicitors for membership and that each member be made to feel that he should contribute something to make the meetings interesting and profitably practical. A committee of the following gentlemen was appointed to discuss the advisability of starting a local advertising campaign: J. Edward Meyers, F. M. Flory, G. W. Taylor and R. G. Butts.

Nebraska.

At the Omaha Commercial Club on the 6th inst., the Nebraska association held its December meeting. Edwin R. Jewell, a former insurance man and now manager of the City National Bank Building, delivered an address on "What Made Life Insurance Necessary."

New York.

The November meeting of the New York association was held at noon on Nov. 25, in the Assembly Room of the Metropolitan Life Insurance Company, and was purely a business session. Julian S. Myrick, chairman of the Executive Committee, delivered a brief report as to several matters which had been brought before the attention of that committee.

T. Reid Fell spoke on the Luncheon Club, which meets at Haan's Rathskeller daily. Mr. Fell was optimistic and believed that the membership of the club would eventually be increased to 200 members.

President Edward W. Allen read a communication from National President Clark asking the local association to appoint a Committee on Education and Conservation to co-operate with the National Committee on Education and Conservation. This communication was the cause of a warm discussion, in which D. G. C. Sinclair was the first speaker. Mr. Sinclair did not believe that the plan of institutional advertising, as he understood it, would be of any special benefit to life underwriters in New York City, although he admitted that it would be of some advantage in other points of the country. "Asking the companies to contribute," he said, "is all rot and all wrong."

At the request of President Edward W. Allen, Charles Jerome Edwards spoke upon the subject under discussion and moved that a committee be appointed as suggested by National President Clark. Mr. Edwards went into the subject to considerable length, and called attention to the gratuitous publicity which had been given life insurance by editorials and news articles in *McClure's Magazine*, *Harper's Weekly*, *System* and the *Philadelphia Evening Telegram*. He told how the American Bankers' Association had advertised the advantages of their individual institutions by a systematic campaign of articles in various publications on the subject of thrift.

Secretary William F. Atkinson agreed with much that had been said by the previous speakers, but did not believe that it was possible to secure proper publicity without paying for it. He said that in his opinion the advertising which life insurance received because of the Armstrong Investigation made for lasting success in the insurance business.

Perez F. Huff claimed that he did not understand the plans of the National Committee on Education and Conservation, and therefore requested that if the committee be appointed it be instructed to report to the Executive Committee in writing.

Walter Travers Daniel agreed with Mr. Huff in many particulars, but said that he thought it would be well to know the exact avenue along which it was intended to work out the plans of the National Committee.

President Allen appointed the following Committee on Education and Conservation: Avia S. Rogers, Frank C. Stamland and Perez F. Huff.

On motion of T. Reid Fell it was resolved to send out to every member who had not already signed one, a pledge not to rebate.

Perez F. Huff stated that there should be some law, or some understanding at least, as to who are entitled to be licensed to solicit life insurance, and claimed that many men who were in the business to-day were not qualified to act as solicitors. He suggested a special meeting, when the matter could be taken up in all its aspects. After a brief but spirited tilt, due to a misunderstanding between Mr. Edwards and Mr. Huff, it was decided to take this matter up in the Executive Committee.

Oregon.

J. W. Ferguson, Commissioner of Insurance of Oregon, after a conference with Commissioner Ekern, of Wisconsin, strongly advocates the enactment of a law providing for State life insurance in his own State. This was the cause of an animated discussion at the November meeting of the Oregon association. The following Committee on Taxation was appointed: S. P. Lockwood, T. H. McAllis and A. D. Katz. President Ward also appointed the following Committee on Education and Conservation: J. A. Hood, Frank Bradley and William Goldman. It was decided to arrange for a public meeting, at which the taxation problems will be discussed and on which occasion addresses will be delivered by some prominent citizens.

Certain life insurance stories written by Rex White were discussed, and consideration was also given to the best means of competing for the Pacific Coast trophy.

Philadelphia.

The Philadelphia association held its monthly meeting at the Continental Hotel on the evening of the 4th inst. with an excellent attendance. Alba B. Johnson, president of the Baldwin Locomotive Works, was the principal speaker. Mr. Johnson's address was a remarkably strong endorsement of life insurance as viewed from the standpoint of a business man and is given in full elsewhere in this number.

Edward A. Woode, general agent of the Equitable Life at Pittsburgh and vice-president of the National Association, discussed the injustice of life insurance taxation. He presented a strong argument supported with indisputable facts and statistics.

Another speaker was Dr. D. S. Huebner, professor of life insurance of the Wharton School of Finance and Commerce of the University of Pennsylvania. Dr. Huebner's remarks were largely upon the question of life insurance taxation and were enthusiastically received.

Hon. George Wharton Pepper was scheduled to speak, but as the hour was late he requested that he be excused.

Pittsburgh.

President Royal S. Goldsburly, of the Pittsburgh association, took up the matter of the Anti-Taxation Campaign of the National Association at the December meeting of the Pittsburgh body, held on the evening of the 5th inst. at the Fort Pitt Hotel. Mr. Goldsburly called attention to a letter received from the National Committee on Taxation, and pointed out the fact that banks and building loan associations are not taxed, whereas the State tax on life insurance in Pennsylvania is approximately 2 per cent. A meeting will be held at some future date to give this matter further consideration. Fifty-two new members were elected.

Leading members of the association took part in a discussion on practical questions, one of which embraced the following points: "How do you answer the man who says: 'I can't afford it.' 'See me after the first of the year.' 'Have too much now—going to drop some.' 'My wife is richer than I.' 'Absolutely not interested.' 'Haven't the cash.' 'Won't sign a note.' 'Don't need it.' 'I am single.' 'I can invest my own money better than an insurance company.'" Another general topic of interest was "How to Use the Income Tax to Sell More Insurance."

Puget Sound.

"At the first regular monthly meeting of the Puget Sound

association, which was held in the banquet room of the Rathskeller, the Seattle delegates to the National convention were the guests of honor. Of the eight delegates who represented the Pacific Coast at the National convention, Seattle had five.

The programme of the evening consisted of talks from the delegates concerning their experiences at the National gathering. The delegates were: H. H. Ward, former president of the National Association, and W. Dwight Mead, of the Pacific Mutual; Patrick Duran, of the Union Mutual; Harry Calohan, of the Fidelity Mutual, and E. L. Webster and R. C. Stuart, of the New York Life.

Mr. Mead, in his address, announced that the National convention of 1915 would be held in some city of the Pacific Coast, and stated that a larger membership among the associations of the Pacific Coast would be required to make the gathering a complete success.

For the furtherance of this idea a trophy, the donors of which were W. L. Hathaway, H. H. Ward, John Newton Russell and himself, was to be awarded to the association which had the greatest percentage of new membership within the next two months. The cup was to be held for six months by the winning association, and then another two months' contest was to be held.

Mr. Ward spoke briefly concerning institutional advertising of life insurance and outlined the plans of the Committee on Education and Conservation of the National Association.

Rhode Island.

Active steps to do away with the practise of rebating in securing life insurance business in the State of Rhode Island were taken on the evening of Nov. 18 by the Rhode Island association, when the members adopted a resolution offering \$100 reward for information leading to the conviction of any person violating the law governing such practise.

William H. Griswold offered the resolution and, as he finished it, all of those present burst out in applause and the motion was carried unanimously.

The annual dinner of the association was held at the West Side Club. Officers were elected for the ensuing year, by-laws were adopted and other business was transacted. The members listened to speeches on the insurance business.

C. C. Blanchard, the retiring president, presided over the business meeting and the reports, with the reading of the new bylaws, were first taken up. Then the nominating committee made its report and the officers elected as follows: President, Maurice H. Stearns, of the John Hancock; vice-president, S. M. Power, Metropolitan; treasurer, H. M. Wheaton, Connecticut Mutual; secretary, Brockholst M. Smith, New York Life. Executive committee, George H. Collett, State Mutual, chairman; George M. Parks, Massachusetts Mutual; C. C. Blanchard, Northwestern Mutual; C. C. White, Puritan; F. M. Donnelly, Columbian National, and H. Augustus Kendall, Mutual Life of New York.

At the very close of the business session Mr. Griswold arose and said that he had been asked to present a resolution which he considered of vital importance to every agent present. He then read the following:

"Whereas, Unfair practises have been known to exist in connection with the sale of life insurance, which are not only in violation of law, but reflect adversely upon all agents and companies; and

"Whereas, The persistence of such practises tends to demoralize the great work of life insurance and the principles of this association; and

"Whereas, There is reasonable assurance and belief that such practises continue in this State; therefore be it

"Resolved, That we, the undersigned members of the Life Underwriters' Association of Rhode Island, do hereby subscribe to a fund of \$100, the same to be deposited with the Rhode Island Hospital Trust Company of Providence, and payable to an informant producing evidence sufficient to convict in a court of law any person or persons violating Chapter 714

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of the insurance laws of the State of Rhode Island, said fund to be subject to the requisition or order of a committee, to be composed of the Deputy Insurance Commissioner of the State of Rhode Island, the Attorney-General of the State of Rhode Island and the actuary of the insurance department of the State of Rhode Island, to which committee all evidence of any violation of said chapter of said laws shall be submitted for decision under the terms of this resolution. Be it further

"Resolved, That any interest accretions from such fund shall be paid by said designated depository to the order of the then treasurer of the Life Underwriters' Association of Rhode Island, who shall deposit same in the said association's general fund."

After the dinner had been served, Mr. Blanchard, who was the toastmaster, introduced the speakers.

Stewart Anderson, editor of the Literature Department of the Massachusetts Life Insurance Company, was the first speaker, and he told of "The Profession of Life Underwriter." He dwelt upon the different points which go to make the work successful, but spoke particularly of rebating, and declared that no man who was honorable in his business dealings would stoop to such practices.

He was followed by Franklin W. Ganse, of the Columbian National Life Insurance Company of Boston, the general agent there, who spoke on "The Life Underwriters' Work," and J. F. Murray, of the Metropolitan Life Insurance Company, who spoke on "Field Work."

Richmond.

The December meeting of the Richmond association was held on the 12th inst. and was in the nature of a farewell luncheon given in honor of G. W. Bahlke, superintendent of the Metropolitan, who was leaving Richmond for Baltimore. Many tributes were made to Mr. Bahlke's worth and good influence in the community. Mr. Bahlke responded with a few appropriate remarks.

Salina.

With nearly a score of charter members a new local association was organized at Salina, Kansas, on the evening of Nov. 15. This organization was effected through the efforts of a committee from the Kansas association composed of the following members: H. O. Garvey, E. W. Thompson, F. B. Parker and C. A. Moore. After the banquet tendered by the local association Mr. Thompson entertained those present with several readings in French-Canadian dialect.

The new association makes three local bodies in the State of Kansas, the others being the Kansas association at Topeka and the Wichita association. If the present existing plans mature a fourth association will be organized in the South-eastern part of the State at either Fort Scott, Parsons or Pittsburgh.

Officers of the new association were chosen at the meeting as follows: President, David J. Hanna, Bank Savings National; vice-president, J. J. Eberhardt, Massachusetts Mutual;

secretary, Richard J. Surface, Farmers and Bankers; treasurer, L. A. Alexander, International.

Two additional members of the Executive Committee were elected as follows: J. P. Harker, Metropolitan, and J. G. Cuttler, of Abilene, Union Central. All the other members of the Executive Committee have their headquarters at Salina.

San Francisco.

William L. Hathaway occupied a prominent place at the November meeting of the San Francisco association. As Mr. Hathaway was chairman of the delegation to the Atlantic City convention, his report of the proceedings of that gathering was listened to with much interest. He also placed in the custody of President George B. Scott the loving cup donated by himself, National Vice-President John Newton Russell, Jr., Hubert H. Ward and W. D. Mead, and explained that the trophy was to be competed for by the various associations of the Pacific Coast in a contest for increased membership.

While in Atlantic City Mr. Hathaway also received the Ben Williams memorial vase to deliver to R. O. Miles, to whom it was awarded in the prize essay contest. Mr. Hathaway presented the vase to Mr. Miles with a few appropriate remarks, and Mr. Miles responded by reading his essay.

President Scott called attention to the convention club idea, which has been brought to his notice by National Vice-President Russell, and a committee consisting of the following gentlemen was appointed to look into the merits of the plan: William L. Hathaway, W. J. Bell and James S. Osborne. Several new members were admitted to the association.

St. Louis.

The St. Louis association, at the meeting in the evening of Nov. 18, finished the annual programme of educational talks that was mapped out for it at the beginning of the year by George L. Dyer, president.

Nine meetings were held, in which the association was addressed by prominent insurance agents and officers, or business men in other lines, also by clergymen and lawyers. The last was Darby A. Day, of Chicago, who talked on "Organization and Field Energy."

The association began the year with about thirty members, and it now has more than 100.

At the last meeting President Dyer was authorized to appoint a committee to co-operate with a committee of the National organization in an effort to secure the reduction of State taxes on life insurance premiums. The agents have been requested to educate their patrons and the public as far as possible on the fact that the taxes on premiums come out of the pockets of the policyholders and not the companies.

South Dakota.

The November meeting of the South Dakota association was held on the 15th of that month at Sioux Falls, and several new members were admitted. Regular routine business was transacted and several matters of local importance were



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discussed. The speakers seemed imbued with real association enthusiasm. A special program has been arranged for the December meeting.

Syracuse.

Byron Winters, ex-Assemblyman of Waverly, N. Y., was the principal speaker at the Tenth Annual Meeting of the Syracuse association, held on Nov. 29. Mr. Winters discussed his fight against the National Protective Legion. Several new members were admitted and the election of officers resulted as follows: President, H. B. Husted, State Mutual; first vice-president, Henry Phillips, Northwestern; second vice-president, George A. Burnap, Prudential; secretary, W. G. Marot, Equitable; treasurer, C. J. Kirkland, Northwestern.

Texas.

Although the Texas association was organized but a few months ago its present membership embraces 175 life underwriters, and if plans of its officers work out satisfactorily, it will before the end of the present association year embrace 350 members. At the regular November meeting 25 applications for membership were received.

Isaac Miller Hamilton, president of the Federal Life of Chicago, addressed the association on this occasion, and H. G. Everett, secretary of the Central Life of Iowa, was another prominent speaker.

The executive committee has raised a fund of a thousand dollars to be used in assisting county attorneys in prosecuting cases involving violations of the anti-rebate, misrepresentation, anti-twisting and embezzlement acts. The State Insurance Commissioner has declared his willingness to co-operate, and states that he will not renew the license of an agent found guilty of violating the laws.

Utah.

The Utah association proposes to organize the Inter-Mountain Association of Life Underwriters to cover the States of Utah, Idaho, Colorado, Nevada, Wyoming, New Mexico and

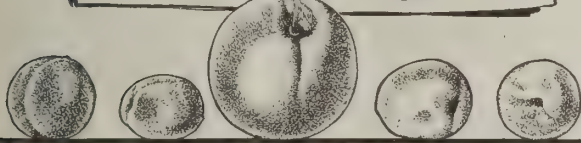
Montana. This plan was first proposed by Will G. Farrell, general agent of the Penn Mutual, who is also a member of the National Executive Committee. The project, it is announced, will have the co-operation of President Kipp, of the Utah association, and President F. C. Hathaway, of the Utah Life Managers Association.

Attorney Mathonihah Thomas delivered an address on "The Liability of the Agent" at a meeting of the association, held on Nov. 29 at the Commercial Club, Salt

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TO PRESENT WHICH IN THE SUM
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IT IS BEST NOT JUST ONE WAY
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Lake City. By invitation, many members of the Salt Lake Board of Fire Underwriters and the Association of Casualty and Surety Underwriters were present. The remarks of Mr. Thomas had to do with the responsibilities of all men who write insurance regardless of its nature.

West Virginia.

A discussion of "The Best Way to Present Twenty-Year Payment Life Proposition" was the principal feature of the November meeting of the West Virginia association, which was held at Wheeling on Nov. 22. The discussion was animated and was participated in by a large number of the members.

Youngstown.

The regular December meeting of the Youngstown association was held on the evening of the 9th inst., at the Hotel Ohio. The program for the evening consisted of a general discussion upon life insurance salesmanship, led by George E. McNabb, who read extracts from an article written by Charles Weinfeld, representing the Northwestern Mutual Life at Wausau, Wis.

Capital District.

With a good attendance the Capital District association held its last meeting on the evening of Nov. 18 at Albany. The secretary presented National President Clark's letter on the question of appointing a local committee on Education and Conservation. President Kohn referred to the previous meeting of the local body and its special benefits and said that the executive committee had thought best to limit the work of this meeting to the association's membership. He announced that a number of the members would give the benefit of their experiences as to arguments and suggestions used in closing difficult cases.

D. A. Ter Bush presented a suggestion that he had been able to use successfully in a recent case relative to the necessary monthly expenses of a prospect's family and questioning the prospect as to the source of these necessary funds in event of the prospect's death. This he said had been the means of securing two applications that same day.

T. J. O'Brien gave several specific and helpful points in connection with approaching and closing a prospect. George E. Cantine told of a difficult case he had encountered, the number of interviews which followed without result, and the manner in which it was finally brought to a close. In this transaction he not only secured the insurance of the prospect, but later an active all-time producer which is still devoting his entire time and making a remarkable record as a manager of one of the largest companies.

J. P. McGarrahan stated that in his opinion the "easy" prospects were the ones he had generally found the hardest to close. Thomas E. Hanigan suggested reaching a man through his weak points, and gave some interesting experiences along these lines. Others who entered in the discussion were Mr. Rix, Jesse Barnet, W. A. Baker, Jr., and President Kohn.

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Life Association News

OFFICIAL ORGAN OF THE NATIONAL ASSOCIATION OF LIFE UNDERWRITERS

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Vol. 8.

NEW YORK, JANUARY, 1914.

No. 5.

TO THE LOCAL ASSOCIATIONS OF LIFE UNDERWRITERS:

Baltimore, Md., January 15, 1914.

Gentlemen:—At the Atlantic City Convention a most important amendment was made to the Constitution of the National Association in Article VIII, Section 1, whereby non-resident membership of local associations was authorized on a most liberal and advantageous basis.

It has long since been recognized that the influence and advantages of both the National and local associations should be extended to those field representatives not residing in large centers where local associations already existed. This need has now been met so far as perfecting the National machinery is concerned.

It is my desire, therefore, that each local association wherever possible inaugurate a NON-RESIDENT MEMBERSHIP CAMPAIGN, urging not only all general agents and managers within the radius of their influence to make application for membership, but also the solicitors residing in the small towns and rural communities of such territory. Favorable and aggressive action by our local associations on this question will result in extending the benefits of the life underwriters' movement to thousands of agents not now enjoying same, thereby increasing immeasurably the influence of the National Association and assisting greatly in the work of our Education, Conservation and Taxation Committees.

The Constitution provides that only one dollar (\$1.00) each shall be paid to the National Association for any that may be designated by the local associations as non-resident members paying less than regular local dues.

Life Association News will be regularly sent to all non-resident members and they will be eligible to Convention privileges and membership on the National Executive Committee under the same regulations as applicable to resident members.

Yours very truly,

ERNEST J. CLARK,
President.

THIRD PARTY INSURANCE.

Every Man Who Suffers from the Non-Insurance of Another Is Carrying a Part of the Risk Himself.

By Edward A. Woods, General Agent, Equitable Life Assurance Society, Pittsburgh, Pa.

This article is copyrighted by Mr. Woods, who is well known in the above capacity and as Vice-President of the National Association. There are few Thrills in Life Insurance literature; nearly all that can be said has been said. But there are always different viewpoints and in this instance Mr. Woods gives us a new "slant" on a phase of the business of vital importance to every man who carries a rate-book.—Editor's Note.

Most prosperous people will suffer loss in money, time and through unpleasant complications and embarrassments, through the non-insurance or inadequate insurance of relatives, kindred, business associates and employees.

You can render these people a great service if you induce those through whose negligence they will suffer to insure. Every man who suffers from the non-insurance of another is really carrying a part of that risk himself.

One of our agents asked us to request the father of a young married man with one child to advise his reluctant son to take a policy. The father said it was no affair of his—that his son would have to "take that risk" himself.

"No," we told him, "you are carrying the risk."

"What do you mean?"

"If he dies, you will have to take care of his widow and child. Public opinion will make you, whether you want to or not. What we are suggesting is that we could help you get our company to assume that risk, instead of yourself."

Many fathers, particularly the prosperous and provident, have taken home widowed daughters with young children, requiring not only their support, but involving embarrassment and family readjustments. Much of this could have been averted if the parents had actively interested themselves in having their sons-in-law adequately insure.

Many sons must provide for widowed mothers, often with embarrassed financial and family relations because their fathers did not sufficiently insure.

Family Readjustments.

Many fathers should welcome your inducing their sons to form thrifty and provident habits through life insurance.

Many employees risk their livelihood because their employers do not insure the permanence of the firm in case of the death of one or more of the firm.

Every employer would be benefited by a thoroughly insured body of employees, for such would be provident, thrifty and permanent. Deaths among such would not mean passing the hat, with the expectation of a generous contribution from the employer or the alternative of the unwelcome reputation of being close-fisted and cold-blooded.

Creditors are interested in seeing that their debtors are adequately insured.

Every bank is interested in the adequate insurance of its customers. No banker relishes pushing the widow for payment of money, nursing along the indebtedness, closing out or refinancing the business. Adequate insurance might have made all this unnecessary.

Evicting widows is neither pleasant nor profitable. Lending money on homes should be protected by life insurance. Brothers-in-law should be urged to carry adequate insurance that in case of death the family problem of caring for the sister and her children will not have to be solved.

Many charitable and philanthropic institutions will suffer because of the death of benefactors not having provided life

insurance to continue their support, throwing the burden of filling the large gap in the annual budget upon the remaining contributors.

The death of any non-insured or inadequately insured man is an economic loss, a social default, which falls on the entire community, but chiefly on a few, or perhaps a sole sufferer. How widespread has been the ruin from the collapse of a business, due to the death of its owner, inadequately insured or not at all? What would it be worth to a community to make sure that a great business, employing thousands, would be maintained and not jeopardized by the death, at an inopportune time, of an important head?

In what financial and other embarrassments have *you* been involved because of someone's death? Have you not had to help support others, because of little insurance or none? Perhaps you have a son, father, brother-in-law, creditor, about whom you yourself feel uneasy every time you hear he is sick, knowing that his death may bring you not only financial but other embarrassments?

Grave Situations.

The financial loss is frequently not all and sometimes not even the principal damage. Suppose a sister is suddenly not only widowed but left with small children and unprovided with insurance. Perhaps none of the surviving brothers are able to take the entire care of her family. Then comes the family question of how is her support to be arranged; with whom is she to live; how much is each to contribute—with perhaps disagreements in the family as to who is best able to do it, and who has other prior claims. Sometimes are added family complications between the wives. There are probably numbers of persons *you* would be very glad to know carried life insurance, and you would thank any agent of any company who had afforded *you* this protection. Having applied the principle to your own case, apply it to others.

This should lead you to the *prosperous* members in your community. You are urging their own interest, offering your help to induce *others* to relieve them from obligations. Many applicants say "my wife has rich relatives; she will be provided for." It is the prosperous members of just such a connection that resent the suggestion that they will assume this burden and who, when they properly understand it, will assist you, perhaps even *insisting* that such take care of their own families, and not expect their more thrifty relatives to do what they should do themselves by life insurance.

This is professional work of the highest order. If you are known as one to whom your clients and their families look to induce others to make the provision that they ought, you will have established that reputation in your own community that the best kind of a physician and lawyer establish. You will have helped spread the idea that adequate insurance is a universal need and that he who neglects this duty is injuring numbers all around him.

A Valuable Service.

In securing this interest, remember that you are offering a gratuitous and valuable service, which, if you put it to him properly, will be welcomed. It all depends upon the tact you use in going about it. If you ask a father with several married daughters to give you names of persons who "want insurance," you will probably get a very curt refusal—and deserve it. Even if you ask him if his sons-in-law should not be insured, you may not arouse his interest. But if you tactfully bring before him how the insurance of his sons-in-law is a matter of vital concern to *him*, you may very quickly interest him. He may give you such facts and help as will enable *you* to effectively present insurance to them, even if he does not give you his active assistance, and you will know if the father's advice is sought, what it will be.

Women are interested in the adequate insurance of the husbands of their sisters.

Remember that when you are interesting anyone in why

another should be insured, he is as David, with the prophet Nathan preaching insurance to himself. For illustration, if a sister is interested in having her sister's husband adequately insured, so as not to bring this burden sometime upon her own husband, it is but a step to have her realize that her own husband requires more.

Consider how to present to an employer his selfish interest in having his employees well insured. Forget his doing you any favor and present entirely his side of the case. It is always well to present a matter to anyone entirely from the point of *his* interest, not yours. Approach him with knowledge of his business. Assume his interest in knowing that his employees have savings bank accounts; that they own their homes. Life insurance is another evidence of thrift. You are prepared, without any expense to him, to see that his employees make such provision for their families and old age; all you want is his moral support and such information as he can give. Many employers have insured their employees at great expense to themselves. Our own agency pays thousands of dollars to insure our own office force. We practise what we preach. Such well known firms as Procter & Gamble, Yawman & Erbe, Montgomery Ward & Company; local firms, such as The Rosenbaum Company, the Pittsburgh, Butler, Harmony and New Castle Street Railway Company, and others—pay the entire cost of the insurance of their employees. Employers in England and Germany are compelled to so provide for employees and laws have been passed or are pending in various States for compelling this very thing. You are prepared to induce his employees to effect this arrangement themselves and at their own expense, if he will give you the necessary support and information. Would not any employer rather have insured than uninsured employees? Having thoroughly interested him in the fact that an insured class of employees will relieve him of burdens, give him a more contented, satisfied and permanent set of employees, you are in position to get his active co-operation.

Going Some!

The Puget Sound Association admitted 84 new members at its December meeting. This gives this local body a membership of over 150. The Association expects to take in 100 additional members in the near future.

Going Some! Yes! Yes!

LIFE INSURANCE EDUCATION IN THE UNITED STATES.

America Far Exceeds All Other Nations in the Volume of Insurance in Force, but There is Almost a Complete Absence of Provisions for Insurance Education.

By W. F. Gephart, Professor of Economics Washington University, St. Louis, Mo.

It was Cecil who said: "The first step to knowledge is to know that we are ignorant." Professor Gephart believes that the public at large sadly needs a knowledge of the fundamental principles of Life Insurance, and that the majority of solicitors are none too well informed to intelligently impart this knowledge. If you are an underwriter, willing to confess that you do not "know it all," it will be worth your while to become acquainted with Professor Gephart's ideas.—Editor's Note.

One of the most striking paradoxes to be found in the present stage of education and business is in the field of life insurance. The United States far exceeds all other nations in the volume of life insurance in force. Insurance is deservedly popular with the people, both on account of the service which it renders and also in the manner in which the service is rendered. As a business it has appealed to a class of men who stand out among the present-day business population as men of great ability and energy. Whatever may have been the true bearing of the facts disclosed in the numerous insurance investigations during the past decade, it must be recognized that the business of insurance in its essential characteristics has withstood these tests and is now stronger than it has ever been. Yet with all this volume of life insurance in force, and with all the present-day disposition to buy insurance, the public—the purchasers—know very little about insurance. Nor is this a complete statement of the paradoxical situation. There is an almost complete absence of any provisions or agencies for insurance education.

In the Early Days.

It is difficult to explain fully the absence of insurance education in the United States. It is due in part to the earlier history of insurance in this country. Many earlier companies were organized and operated upon an unscientific basis and inevitably failed with the result that many individuals lost all, or a very large part of the payments which they had made. Many are yet living who were victims of this kind of insurance, and many more are fond of reciting the experiences of their fathers. Then, too, the earlier insurance agent was frequently one whose methods of selling insurance would not be countenanced by any reputable company or general agency at the present time. He was frequently a man either of questionable character or one who had failed to make a success in other lines of business. Insurance and insurance agents became the subject of jokes in newspapers and humorous publications. In short, insurance was not considered in a serious manner, and hence very naturally was not seriously considered as a proper subject for instruction. This is only a partial explanation.

Another partial explanation, but one which has reference to the exact opposite attitude towards insurance, is that it has erroneously been considered a subject of great technicality, and hence the average man has readily admitted that he cannot understand it. This ready opinion has been offered before he has made anything more than a superficial effort to understand it. He has made the mistake of assuming that an understanding of insurance meant an appreciation of the actuarial phase of insurance knowledge. It is true that this division of insurance knowledge is highly technical and is difficult of comprehension, so far as any mathematical knowledge can be said to have this characteristic. Mathematical formulas appear very formidable to the uninitiated.

What, then, is the situation at present in regard to insurance education in the United States? There is first a large number of various kinds of insurance associations. As presidents of insurance companies, or as agents, or as insurance commissioners, they meet in their associations and discuss among themselves their problems. Reports of the proceedings are published, but such proceedings circulate almost exclusively among members of the association or those in the insurance business, closely allied to the association.

There are actuarial associations which have for many years been meeting and presenting discussions of a very high order. Their proceedings are also published as splendid contributions to insurance knowledge; but these contributions have even a more narrow constituency than the former. Even members of other insurance organizations either do not or cannot read and understand such contributions.

There is, in the third place, the numerous insurance journals whose circulations are almost wholly confined to insurance men. Many of these are no doubt rendering a great service. However, none of these agencies reach the public at large who, it has been agreed, especially among insurance men, need education in life insurance.

Instruction in Colleges and Universities.

Finally, there is the formal instruction in life insurance in colleges and universities. An examination of the catalogues of colleges and universities supplies a rather pretentious number of examples of courses in insurance. Yet the real facts are quite different. In many cases the course of instruction is simply on paper, and in some other cases it were better if it remained on paper. That is to state that there are very few instructors in colleges and universities who have the proper equipment to give a course of instruction in life insurance. This applies more generally to the courses in the departments of economics and law and less so to the courses in the mathematics of insurance. In many cases the course is given only occasionally. It may be in alternate years, or at longer intervals.

So far as real insurance education is being secured, the insurance agent is doing at present the greater share of it. In all probability he will continue for some time to do the major part of it, and it, therefore, is a matter of very great significance that he does the proper kind of educating. It may appear a perversion of the true sense to speak of "a proper kind of education," but one may become educated into ignorance quite as well as educated into wisdom. This idea may be expressed by the statement that what the average person knows about insurance is not true.

The Method of Procedure.

The question then arises as to the method of procedure in organizing or furthering real insurance education. The view has frequently been expressed that formal insurance instruction should be given in the public schools. To those who are familiar with past history and present status of public school instruction, such a proposition is futile and impractical. This is true, first, because there is and has been greater pressure and real need for the introduction of other subjects; second, because very few teachers now in the public schools are prepared to teach it properly. Nor would it be desirable or necessary to set aside a part of the course of study for such instruction. Whatever instruction in this subject is desirable can be given in connection with such well established subjects of the curriculum as civics, history and mathematics. The teachers in high schools are increasingly becoming graduates of colleges, and it is at this educational institution that chief effort should be centered to secure the establishment of formal instruction in insurance. If such instruction were offered in universities, colleges and normal schools, there soon might be a considerable number of teachers and others who would become radiating centers of intelligent insurance knowledge. What, then, should be the formal training in insurance, and in what department of the college and university should it be given?

There should be a study not only of insurance itself but also of the closely related and interdependent fields of knowledge, classified as economics, finance, banking, taxation and sociology. These studies should prepare best not only the student who expected to go into the business, but also the citizen who should be the means of indirectly educating many of his fellow citizens. Mathematical or actuarial training is purposely omitted since this is highly specialized, and it is believed that the insurance education now needed is an understanding of the economic and social aspects of insurance.

However promising the results which may be secured from such a type of insurance education, the immediate and most promising step in such education is for insurance men to educate themselves. It is doubtful whether there is any other important business in which men who are engaged in it know so little about the business. This is easily explained by the fact that the people with whom they do business know infinitely less about insurance than the insurance men. There has been in the past no very great inducement for the man in the business to study it. The bank official comes in contact with people who although not experts, yet either know enough about the business to ask intelligent questions, or can soon judge the accuracy of the information given by the results secured. This is not generally true in the insurance business. The buyer neither knows at the time nor will he often ever be able to know whether he has had accurate information. Too frequently the insurance information given out consists of glowing adjectives, attractive phrases, and striking expressions about insurance. This is neither education in insurance, nor a tool for it. It is an enthusiastic expression of emotionalism about insurance. What is needed is not a jumble of pathetic statements about the beauties of insurance, its holiness *ad nauseam*, but candid, simple statements of what it is and what it can do as nothing else can do.

The Actuarial Side.

It is only on the actuarial side that there is in English literature an insurance that can be called scientific. For the word scientific, the so-called practical man often expresses contempt, notwithstanding that he daily exemplifies the scientific if he is a successful business man. Scientific is not the same, necessarily, as technical. It does not mean something difficult to understand nor anything that has no real relation or influence on actual every day affairs. Scientific simply means a logical arrangement and treatment of the facts pertaining to a particular field of knowledge.

The people are beginning to ask questions and to study insurance in a manner, and the successful insurance man of the future must know infinitely more about it than his predecessors. Legislators are showing a disposition, however slight, to learn more about insurance with a view of establishing better regulations of the business which will, if successful, mean the repeal of some laws now in force.

What Insurance Really Is.

Too frequently insurance has been confused with banking investment and what not, both in the minds of the legislator the insurance official and the agent. There is great need to return to a re-examination of what insurance really is: To emphasize the elementary and fundamental characteristics and purposes of insurance. Insurance is good enough to stand on its own merits. Banking, investment, or what not can reflect no glory upon it nor does insurance need additional glory. The insurance principle is fundamental in the nature of man. It is as old as the human race. It has had no origin, no development, no history. It is, has always been and will always be. It is the most unselfish institution of the human race. It is a temple to the golden rule. Its success, its growth, is the best proof that men grow better. It is the measure of the progress of socialized man.

THE EVILS OF WASTE—THE GOSPEL OF SAVING.**Wastefulness in All Lines One of the Crimes of the Day—
The Necessity of Conserving Time, Energy, Talk
and Commissions.**

By Hubert H. Ward, General Agent of the Pacific Northwest, Pacific Mutual Life Insurance Company.

When Mr. Ward talks he always illustrates his points through the medium of some event of current interest. In this article he draws his moral from the embryonic capitol building at Olympia, Wash. This is a good distance from Broadway, but the connection is by no means far-fetched.

Waste—a subject prolific of dire consequences, not only in life insurance, but in any line of business, and particularly applicable to the man selling life insurance. Too many men are Wasteful of Time, Wasteful of Energy, Wasteful of Talk and Wasteful of Commissions.

Wasteful of Time.—I like to harp on the subject of Time, because, as I have often said, it is a life insurance agent's best asset. The agent who is wasteful of his time is his own greatest sufferer.

Wasteful of Energy.—While the moments are at the disposal of the agent, they must be energetically applied. The agent must use energy, which conveys force, in his general appearance—in the way in which he gets around—in the way in which he approaches a man, and in which he talks. The sleepy, dreamy, hazy sort of an agent never produces big results. It is the sledgehammer blow which counts in this business, and blows to be sledgehammer blows must be given with energy.

Wasteful of Talk.—Many a life insurance agent talks a man into life insurance and talks him out again at the same sitting. Some agents talk too much on the subject of life insurance, but the average agent who talks too much does so because he doesn't confine himself to his subject. He is apt to ramble on other subjects. The successful agent, among other things, tries to hold his prospect to the subject in hand, namely, the purchase of some particular policy which he is presenting.

Wastefulness of Commissions.

Wasteful of Commissions.—Some agents have a tendency to spend their commissions before they are earned. This often leads to trouble. Commissions are never earned until the policy has been issued, delivered, the acceptance receipt signed and the premium in cash or its equivalent, which means check, draft or money order (not notes) paid to the company. When all this has been done it is safe for the agent to think about his commissions. It is not wise for him to do so before then. Do not spend your commissions, Mr. Agent, before you earn them. Do not plan before you earn them how you will spend them after you have earned them. It is a good rule never to plan to spend *all* of any commission. Create the saving habit yourself. How better can you do this than to purchase your particular kind of a policy in your own company at the outset and add to that policy other policies from time to time as you are able to increase the amount of insurance you have.

Wastefulness in all lines is one of the crimes of the day, and it is not by any means confined to the life insurance agent. Those who get ahead in any walk in life usually do so by avoiding waste.

The "stocking" of the French nation is a proverbial expression. It signifies the saving habit of the French people. The French peasant places his small horde of savings in an old stocking for lack of a better bank and on more than one occasion, big enterprises have been financed by the French

nation bringing out its stocking. The American people do not seem to have a stocking. Too many Americans have everything from automobiles, on which are mortgages, to unpaid board bills. The life insurance agent should be the great apostle for Saving, which is the direct opposite of Waste. No set of men in the country are as well equipped to preach the *Gospel of Saving* and the *Evil of Waste* as is the life insurance agent.

Wednesday of this week Mr. Mead and I spent at Olympia. The State of Washington has been trying for years to build a capitol building. Plans have been prepared for group buildings, which, when completed, will cost several million dollars. For beauty of arrangement they will probably be unexcelled in the United States. The history of the building of a Capitol building for the State of Washington seems to be replete with waste. Three attempts have been made at three different times and in three different locations. The first attempt consisted of a foundation of cut stone standing about ten feet high and covering a large area of space which was put in and abandoned over twenty years ago after expending \$350,000, we were told. This whole foundation has had a wooden roof over it, which is falling into decay, and workmen were engaged in removing the old roof in order to build another temporary roof over the structure.

A House of Sawdust.

For some reason, involving waste, this foundation was abandoned, and as a second attempt, a gaudy, ugly, cheaply constructed stone building was built down in the heart of the town. It seems to be a veritable house of sawdust. It so impressed us at least, because the Northern Pacific Railroad, which runs through an open cut not more than fifty feet from one corner of the building, is putting in a concrete tunneled passageway for its trains, and as we were talking to the Insurance Commissioner, every time the pile driver came down preparing foundations for the tunnel the building shook. That is why I call it house of sawdust. This building also represents waste.

The third attempt is the beginning of the new group plan. The Supreme Court building of this new group has been recently erected and is now occupied—is a magnificent, fire-proof structure covering almost as much ground as either the first or second attempts at Capitol building. Its exterior walls at present are of rough brick, to be faced with marble later. The other buildings of this group are to be erected one at a time. When all are finished and occupied, the whole group of buildings are to be faced with marble and the beauty of the structures will then be apparent. Here again is waste. Prodigal waste on the theory of false economy. It will cost more to erect those buildings and then face them with marble than it would to erect the whole group at once, letting the exterior marble facing rise with the walls. The whole system represents waste, w-a-s-t-e, WASTE, and it made me think of certain types of agents.

Types of Agents.

One type of agent will start something, abandon it, put a temporary roof on it with the intention of coming back to finish it and leave it. That type of agent naturally does not close business. Another type of agent in his haste to construct something quick erects a house of sawdust and when attacked by the sledgehammer blows given by a competitor his structure trembles. He does not write life insurance because he loses it to the other man in competition; his building not being able to withstand competition. A third type of agent starts out with a grand scheme. His preliminary architectural plans are good, but he employs a method of construction which covers a period of months and of almost incessant interviews.

The successful life insurance solicitor does not follow any one of the three types of construction seen at Olympia. He learns how to preserve time and energy. He avoids waste. He picks out a prospect with the idea of placing a cover of

life insurance protection over his head. He does not erect a foundation and leave it. He does not build a structure which will fall down on the man's head, and he does not do something greater than the man can stand.

It is the *thinking* agent who becomes the *successful* agent. In selling life insurance, Mr. Agent, the architectural work must be planned at *your* desk, the mechanical work must be done at *the other fellow's* desk. Don't forget this. Remember that too many agents have beautiful prospects on paper, but the real work that counts is the completed structure. Let the three attempts at Olympia be a lesson on which you can draw a moral for your own work in selling life insurance.

A Little Later.

The cry of the procrastinator is, "A little later—a little later and I'll attend to it."

MANANA, say the happy-go-lucky Spaniards, and after them poverty, ignorance, crime and beggary follow.

Think of the thousands of widows and orphans in this rich country of ours who have been consigned to poverty, to the poorhouse, under the sentence of "A little later—a little later," pronounced by husbands and fathers!

Life insurance says: "Take me now—take me while you can—I know no 'little later'; there's no such speech in my book of life."

The "waiting game" when it comes to life insurance is a mighty dangerous one. Just why any sane man should "take chances," when the welfare of the family is at stake, is beyond reason.

It's all right to wait if it's a matter of marrying, buying a suit of clothes, a farm or such like things, but when TO-MORROW may look you in the face and pass the fatal sentence, "too late"—too late to save the family from poverty, too late to do a duty plainly incumbent upon you NOW, then "waiting" becomes akin to a CRIME.

"A little later—a little later, and I'll insure."

O, man, get your life insurance while you can!

Let everything wait upon that duty.

Lifemen! It's your bounding duty to MAKE men insure—it's your mission to compel them to come into the fold while they may—it's your glorious privilege to nullify the sentence of "A little later—a little later."

Over a million people die annually in the United States. Many of them—yes, thank God for it, a great majority—leave life insurance as the sole means of support of wives and children—but how many—ah, so many, leave none.

And be assured, lifemen, in the prayers to God that go up from widows and orphans for the repose of the souls of loved ones who were persuaded by you to take life insurance while they could, your names will not be forgotten.—*International Lifeman.*

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Present?**

**Just send us a check for \$1.50 and
we will mail you a copy of the
Proceedings of the Atlantic City
Convention.**

**There are very few copies left, so
if you want one act with celerity.**

THE VALUE OF TIME.

**The Life Underwriter Who Does Not Devote at Least
Seven or Eight Hours a Day to Earnest, Persistent,
Determined, Concentrated Solicitation Is Sin-
ning Against Himself and His Creator.**

By Robert J. Mix, Manager, Prudential Insurance Company, New York.

Here's wishing you, gentle reader, the best and happiest year that you have ever known!

Speaking of "Happy New Year," "New Year Resolutions" and all that sort of thing, I want to have a word with you this morning about that *great and wonderful* gift that has been bestowed upon all of us—the gift called "*time*!" Maybe you think that subject is somewhat trite, but let's have a little talk about it. I sometimes think that it would be a good thing if we could have constantly at our side a "mentor"—someone who should call us to task whenever he found us *wasting* our time! That would not be altogether pleasant, I fear, for we are all more or less flagrant sinners in this respect—but some are greater sinners than others.

It was never intended that you and I should work *all* the time! Not to *rest or play a reasonable number of hours* out of each twenty-four is almost, or quite, as great a sin as not to work enough. We have got to be *reasonable* about these things. I rather like the old-fashioned idea of the proper division of the day—eight hours for *work*, eight hours for *rest and recreation* and eight hours for *sleep*! I don't think you can beat that program very much—but there's *work and work*! When some men say that they're working, they're simply *flattering* themselves! What they are actually doing is *killing time*!

"*Work*" in the proper sense of the word means *applying yourself with concentrated thought and energy to your appointed task—intense application, with your mind fixed right on the job, digging deep and industriously and with grim determination eight hours of every day—that's work*! Men with the desk habit, for instance, *kill* hours of every day and try to make themselves think they're industrious!

Now, my brother, it always seems to me that it's the height of folly for a fellow to try to fool *himself*! I can understand how and why a man might attempt to fool somebody else, but that he should try to deceive *himself* and make *himself* believe that he is what he is not—that certainly seems absurd!

I read in a little pamphlet the other day something like this:

"If you lost a five or ten dollar gold-piece every day for a month, it would get on your nerves, wouldn't it? If someone held you up and robbed you of ten dollars, you would be highly indignant, wouldn't you? Do you realize that every day you waste hours *you are really losing money*? Your time is your *capital*! If you fail to keep it employed, your capital is not *earning*! Why not study the question as earnestly as though you were losing *actual cash*—why be satisfied to use but a fifth or a third or a half of your earning power when you have the opportunity to use it *all*?"

Now, let's get this straight! If you—*you*, my brother agent—are not applying *yourself* for at least *seven or eight hours a day to an earnest, persistent, determined, concentrated effort* to secure more and more and still more applications for life insurance, you're *wasting time*—you're *throwing away money*—you're *sinning against yourself and your Creator*!

That's pretty plain language, isn't it? Tell me—what do you think about it—do you think I'm right or wrong? Just put it up fairly and squarely to yourself and be *honest* about it! Are you throwing yourself *heart and soul* into this business for at least *seven or eight hours* every day, and, if not, what *excuse* have you to offer—why shouldn't you mend your ways? Are you contented to go on making the same blunder—to go on *wasting your time* in the *splendid new year* that's just beginning!

A LESSON TAUGHT BY THE ATLANTIC CITY CONVENTION.

Personality, Vision and Persistence Developed to a High Degree Means Almost Unlimited Success in Life Insurance.

By J. Everett Hicks, General Agent, Union Mutual Life Insurance Company, Boston, Mass.

Mr. Hicks attended the Atlantic City Convention, and very frankly confesses that it was a source of great inspiration to him. He says: "Any thinking man must have come away with vastly larger ideas of the tremendous potentialities of life insurance to complex social structure." His remarks are intensely practical.—Editor's Note.

I was greatly impressed by the proceedings of the Atlantic City convention of the National Association of Life Underwriters. Some of the dominating characteristics were earnestness, dignity and the determination to accomplish.

All of the sessions bore witness to the fact that this was no junket but a meeting of men determined to do something for each other and for the cause of life insurance, and through this for the millions of policyholders whom they represent. Any thinking man must have come away with vastly larger ideas of the tremendous potentialities of life insurance to complex social structure. It has indeed become one of its principal supports. As I attended the sessions I became more and more impressed with the great possibilities for good represented by these more than nine hundred insurance men and the other one hundred thousand who were not present.

With these things in mind it was not unnatural that I should give some attention to the men around me with respect to their ability to write life insurance, because as a general proposition the more insurance one can write the more good he can do.

Individual Production.

I have given much thought to the subject of individual production. I know many men who are writing annually less than one hundred and fifty thousand dollars who should be producing a quarter of a million. Why do they not do so? Men around them, who seem to have no more ability are doing it; why not they? I studied this problem at the Atlantic City convention also; here was an excellent opportunity to do so with so many producers present from all parts of the country.

Of course, there are many reasons why one man is more successful than another in any department of human endeavor. I only desire to call attention to three qualities which seem to me to be prime requisites for successful salesmanship in our profession. To the man possessing these qualities success will come just in the proportion to the degree of their intensity.

These three qualities are personality, vision and persistence; and with these developed to the highest possible degree, success in life insurance is almost unlimited. Witness just two men who attended the convention, one representing a production of fifteen millions and the other twelve millions of life insurance annually.

By personality I do not mean that one must be tall or handsome or richly dressed or any other thing which would make him a conspicuous figure on the street or in any public gathering—our business is done by close personal contact with the prospect. By personality I do mean character, those qualities which inspire confidence and keep it; those ineffable qualities or characteristics which some individuals possess in large measure, and which can be cultivated, I am positive, that make a man liked and trusted. All of you

know what I mean because you yourselves possess it to a greater or less degree. By personality I mean reputation, that fundamental need which means more than money and more than collateral security; by personality I mean honesty, that quality which induces us to sell the man five thousand of straight life insurance, if we honestly believe that fulfills his needs, rather than one or two thousand of endowment insurance, or vice versa. Some men mistake craftiness for the quality I am trying to describe. The "Gold Brick" man may gain our confidence, but he does it by deception and not by the strength of his personality in the sense in which I am using the word.

Great confidence in one's self and in one's business, a conviction that both are on the level and of importance to mankind, will increase greatly this quality of personality.

"While doubt stands still, confidence can erect a skyscraper." This confidence will bring out another very important phase of the kind of personality which I believe to be necessary in selling life insurance and that is earnestness; rarely is life insurance sold flippantly, we are dealing with sacred things, love of home, wife, children, and we must be in dead earnest. Our prospect will often treat the subject lightly,—we must never do so. Have I made my point clear? You know or you should know that "life insurance is a business proposition of the highest character" and that "the insurance solicitor of the future, as the best have been in the past, must be a higher grade man than the salesman in other lines of business."

A Definition.

What do I mean by vision? Many things which we life insurance men must possess to be successful. In the first place an overwhelming belief in the institution of life insurance. The total amount of life insurance protection in this country is in excess of \$25,000,000,000, and the annual premium payments to keep this vast amount in force is more than \$700,000,000, a tremendous power for good. And yet you and I must believe, if we know the facts and have any sort of idea of the future, that fifty years from now these figures will look small in comparison. We must each believe in his own company of course, but we must also realize that after all our company is merely a small fractional part of one magnificent whole. The man if vision is not a "knocker" but a "booster" of his competitor, and this is good business. If we possess this vision of life insurance, we will talk life insurance,—not company; protection of loved ones,—not surrender values; the service that the man who insures does for society,—not dividends. Tell your prospect that if he will take \$10,000 of life insurance for his family and keep it in force, he will render a higher service to society than if he gave \$10,000 to an old ladies' home, because that will make old ladies' homes unnecessary; and you will obtain his signature on your company's application blank because he believes in the institution of insurance and in you. We are not selling company or surrender values or dividends, but protection to loved ones.

Human Nature Always the Same.

Again, if we have this vision we shall realize that ninety-nine per cent. of all the men from whom we solicit insurance, love their families as well as we love ours and wish to do the right thing for them. We all desire to live as well as possible and to create an estate for ourselves and our families, and these men feel exactly the same. It is our business to convince them of this truth: That life insurance is one of the surest and easiest ways of doing just what they and we desire to do. Do not be pessimistic about these men, do not talk lightly about these things with them, be in earnest, talk the thing big and for them, make it a personal matter. As Norval A. Hawkins says: "When life insurance is rightly sold, it will not be a question of 'Shall I take out a policy?' but 'How large must it be?'"

Imagination is one of the attributes of vision. I have long believed that one of the most powerful aids in closing an insurance sale is vivid imagination. Men see all around
(Concluded on page 13.)

Life Association News

A MONTHLY JOURNAL DEVOTED TO THE INTERESTS OF ALL
LIFE INSURANCE AGENTS.

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NATIONAL ASSOCIATION OF LIFE UNDERWRITERS

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ARTICLE II OF THE CONSTITUTION.

"The object of this association shall be to advance the best interests of the cause of true life insurance."

Address all communications to

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SUBSCRIPTION PRICE \$1.00 A YEAR IN ADVANCE.

THE TWISTER.

An ostrich buries its head in the sand and, unable to see approaching danger, believes itself protected from an enemy. The busy life underwriter immersed in the exacting and arduous routine of his calling frequently forgets that there is always an enemy in the field; and, although by reason of his circuitous methods he cannot always be seen, the results of his raids are often felt. We refer to the "Twister."

It is not so much the injury which he does the legitimate agent, nor even the injury which he does those companies whose business he steals, which constitutes the principal offense of the "Twister." These, of course, are serious enough to bring him within the police regulations of many States. But he has more grievous sins to answer for.

It is the disrepute into which he brings Life Insurance, as a whole, with everyone credulous enough to deal with him, and the injury he inflicts on individuals and families who either are mulcted in impaired insurance, or undoubtedly, in many cases, induced to abandon all insurance when their faith has been poisoned. If all the work of the "Twisters" could be traced, there would be found case after case of widows and orphans dependent on charity, or in abject poverty, earning a beggar's pittance, who but for his insidious and treacherous instrumentality would be in the enjoyment of independence and, perhaps, comparative or actual affluence.

When the confidence of the insured is weakened in any way in Life Insurance, when he is led to believe that the plan he has accepted is "a delusion and a snare," he has been inoculated with a poison which grows more virulent with time. It will spread through his entire mental make-up and inevitably he will apply to Life Insurance the principle of false in one thing, false in all. Multiply one man by a thousand, by many thousands, perhaps, and we begin to get some idea of what the labor of the "Twister" means to the multitude whom he robs of participation in Life Insurance beneficence.

Considering that the "Twister" is a man of producing ability on legitimate lines, it becomes the more difficult to regard him in any other light than that of one who finds it impossible to be honest. He is possessed of a spirit of malevolence which makes him a proper subject for summary procedure. The criminologists have already made a study of those with analogous characteristics, and apparently have come to the conclusion that there is no help for them, no way of curbing their criminal tendencies by moral suasion. They are radically bad and beyond redemption, and the only effective method in dealing with them is the invocation of punitive law where it can be made to apply.

SENSIBLE SUGGESTIONS TO SUCCESSFUL SOLICITORS

**SETTLE IN SEATTLE ON PUGET SOUND and
WORK WITH WARD IN THE WONDERFUL WEST for the
PACIFIC MUTUAL LIFE INSURANCE COMPANY**

In Other Words

"COME TO THE PACIFIC WITH WARD."

Write **H. H. WARD, Manager, Pacific Northwest,
Hoge Building, Seattle, Washington.**

It is nothing strange to find those with acknowledged ability to do well by legitimate methods who prefer to desert the higher life and accept uncertain compensation in crooked practices. It is on a par with the man of depraved appetite who would thrust aside wholesome and palatable food for offal. And medical books are full of such cases, just as the newspapers now and then tell the stories of young men and young women who have deserted comfortable homes and considerate friends for the companionship of the vulgar, the degraded and the criminal.

It has been pointed out by State authorities, by company officials, and by the National Association that the "Twister" can have none other than a sinister design in endeavoring to induce an assurant to change his insurance from one company to another. As an insurance man, he knows that in nine hundred and ninety-nine cases out of every one thousand cases this can only be done at loss to the insured, and his one motive is to secure pay from some source. If he can find a company to deal with him he gets his profit in commission. If he can lead the person he is twisting to make the new application himself, he demands a percentage on what he is apparently saving his victim, who later discovers that he has been robbed of the amount he has given the "Twister."

The "Twister" is the Coyote of the Life Insurance Plains, shrewd and shameless, cunning and cowardly. Were he open to the qualms of a conscience, he would realize his condition and reform it, if only for the sake of showing those who exhibit their contempt for him by thrusting him outside the pale of his one-time profession that he had decency enough left to be penitent.

But the impression has been arrived at by all right-minded life insurance men that the "Twister" is in-
corrigible, too dangerous to waste any more time on him is necessary to apply to him the lash of the law. It, therefore, devolves upon all members of local associations to be on the alert to detect twisting and secure such evidence as may be brought to bear with effect to secure just punishment.

The "Twister," like his compeers in other branches of confidence games, has many aliases. Sometimes he is an "Insurance Expert," and "Insurance Adviser," an "Actuarial Investigator," and many other titular things, but always a "Twister" and always worth watching.

A Lesson Taught by the Atlantic City Convention.
(Continued from page 7.)

them homeless widows and neglected orphans, daughters of other men forced to work in store and shop and worse, subject, to all sorts of temptations; they see bright boys forced to do cheap labor because they have been denied the proper education and home influence, and yet somehow it seldom occurs to them that these same things could happen to their own widow and orphans. One of the best insurance thoughts which I have seen this year is expressed in a pamphlet entitled, "Choosing a Widow." The insurance agent with imagination can make these things real and personal to his prospect in the proper way; he can show him how pitifully insufficient are his few thousand dollars of insurance protection as a barrier between his loved ones and want or perhaps crime.

Vision then is that broad conception of insurance conditions and families which makes us able to present this thing in a big, forceful broad minded manner so that our prospects will be aroused out of their sufficiency and require larger protection.

Applied Persistence.

Broadly speaking, I mean two things by persistence as applied to our profession. Having started to convince a prospect we shall be enabled, by means of persistence, intelligently directed, to force him to give us a full hearing either now or at some future time,—emphatically now, if possible. We may be obliged to use all of our personality to prolong the interview, we probably must show him the vision to the very end of his life, but with skilful persistence we hold or regain his interest and finally create the desire and write the application for \$10,000 more insurance, and what a reward is ours if we believe in our work! This is one thing I mean by persistence. The other is the persistence of making calls, having interviews. Probably not one of us here has enough interviews per week. I do not believe, either, in from ten to twenty interviews per day for the ordinary successful insurance agent; that is too many, but I do believe that we should have good strong talks with, say, twenty men per week. How many of us do this for forty-eight weeks in the year? If we should do so and persist in it next year many of us would double our volume of sales, and it seems so easy.

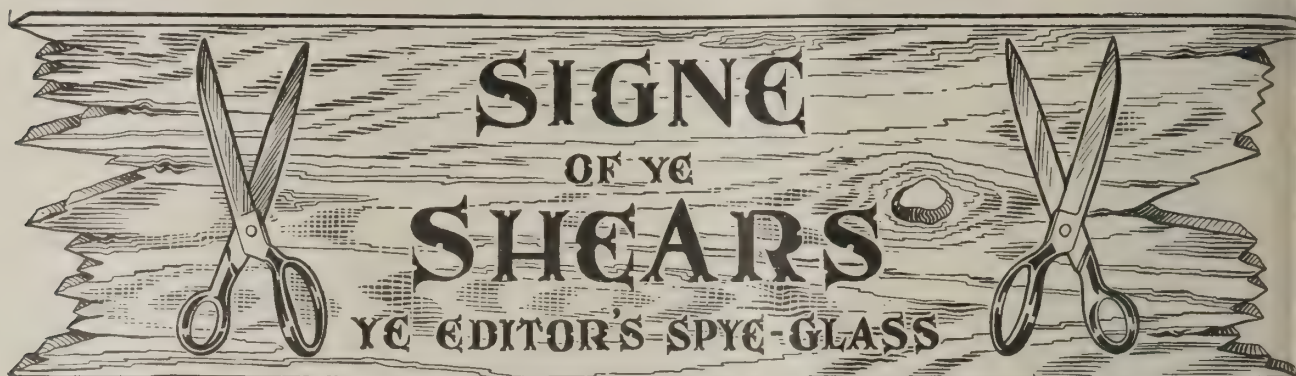
"Write on your doors the saying wise and old,
'Be bold! be bold!' and everywhere—'Be bold;
'Be not too bold!' Yet better the excess
Than the defect; better the more than less;
Better like Hector in the field to die,
Than like a perfumed Paris turn and fly."

THE BIG BEN BINDER

PRICE \$5.00.

YOU MAY HAVE ONE FOR

\$1.00.



The Part-time Man and What Is Said About Him.

"Sappers of agency energy," "traitors in the field," "destroyers of free and equal competition," "eavesdroppers," "nuisances," "spotters," "rascals," "petty thieves," "rounders," "pirates," "scavengers," "irresponsible and unintelligent sneaks," "parasitical bloodsuckers." Such are a few of the condemnatory, damnable, denunciatory and defamatory epithets which have been hurled from time to time against the part-time man, and the end is not yet—there are still a few more choice terms which will undoubtedly be employed by full-time enthusiasts to stigmatize and anathematize that class of men who are the natural enemies of the legitimate agent.

There is, of course, an honest and legitimate difference of opinion as to the question of part-timeism. Many men of high standing in the profession declare that the part-time man, whether in metropolitan or country districts, must be divorced from his work of spoliation; they are also opposed to a probationary term during which a man may determine for himself whether or not he can make a success of selling life insurance before severing his connections in some other line of business. Then again there are many prominent and reputable life underwriters who do not believe in employing part-time men in metropolitan districts except under a probationary term agreement—a professional try-out, as it were. This group of underwriters argue that the part-time man is a necessity in the country districts.

The Radicals and Conservatives both support their contentions by arguments apparently equally potent and experience equally extensive. Both factions agree, however, that life underwriting should be limited to those men only who are regularly and permanently under contract and who are recognized as bona-fide agents in their respective communities; that there should be eliminated from agency relations that class of part-time agents and one-case brokers who neither educate a prospect nor create an applicant, who are not agents in any true sense, and whose only relation to the business has been to undo or take advantage of the work of some regular agent. Both also believe that licenses should be issued to bona-fide agents only, and that payment of commissions or any compensation whatever in connection with the procurement of an application or the payment of a premium should be confined to a regularly licensed agent under written contract.

This is an authoritative statement outlining a common meeting ground of both Radicals and Conservatives—authoritative because it is the substance of a resolution adopted at the twentieth annual convention of the National association, after an exhaustive discussion of the subject involved, in which discussion both sides had ample opportunity for partisan argumentation.

Apparently, it makes little difference what phase of field activity is for the time being in the limelight, the part-time question, like the poor, is always with us, and look at it as we may, it is really one of the great problems of the home office and the manager.

A strong sentiment against the part-time man was evident at the Atlantic City convention. 'How about the part-time man?' said Bernard R. Rose, of the New York association.

"How long will he be permitted to drag this noble calling down to the level of the street huckster? * * * The only question is whether we will get rid of him ourselves, * * * or whether we shall have to experience the great humiliation of having this long overdue reform forced upon us from without." Warren M. Horner declared: "If this association will adopt and carry out the idea of an institutional advertisement, I will take my chances in these three great agricultural States (Minnesota, Iowa and South Dakota) against the other fellow who keeps up the practice of appointing the pseudo agent, the part-time agent and the unreliable and unintelligent agent." Neil D. Sills, in his address as president of the National association, said, in part: "I feel that we should take a stronger stand than ever that life insurance commissions should be for life insurance men only."

Quite recently a move toward restricting the operation of part-time agents has been inaugurated by Insurance Commissioner Robert J. Merrill, of New Hampshire, who has issued a call for information from all companies for a statement regarding their methods in dealing with part-time men. It is said that this action contemplates the restriction of licenses for such agents, and the idea is to establish a minimum amount of business below which a license will not be renewed. Commissioner Merrill has authority to put such a system in operation if he desires to do so, as an enactment during the last session of the New Hampshire Legislature gave him discretionary powers in issuing licenses.

As a matter of fact the part-time problem is entirely in the hands of the home offices, and giving credit to *The Eastern Underwriter*, we herewith give the opinions of a number of company officials who dictate the policies of agency management of their respective companies.

Vice-President George T. Dexter, of the Mutual Life of New York, said:

The objections commonly urged against the employment of part-time men in soliciting life insurance are largely sentimental and will not bear critical analysis.

It is desirable that the life insurance solicitor should devote his entire time to the work; grant it. To succeed in life insurance soliciting, natural adaptation to the business, training and experience are necessary. Whether the prospective agent possesses the first of these qualities in sufficient degree to insure success cannot be determined in advance. A very brief experience may in some cases prove a sufficient test; more often it is only after a course of efficient training, actual practice in the field, and long experience that the successful solicitor finds himself.

It is well known that a majority of those who enter the lists as soliciting agents fall by the wayside, or, persisting for a time, ultimately take their places in the great army of failures. In view of this fact it is cruel and it is wrong to persuade a man to abandon outright a calling at which he is making a living, or a salaried position in which he is giving satisfaction, in the hope of bettering his condition by taking up a tried and extremely difficult vocation.

Some of those who take this perilous step succeed; the majority fail, and presently find themselves "down and out," their living gone, their business or professional careers wrecked—temporarily at least. Practical experience has proved that the humane way, the only way, is to advise the prospective agent first to test his adaptation to the business by soliciting during his leisure hours, or during such time as he can appropriate without detriment to his regular business. Whatever his calling may be, he may find time and opportunity every day, or at frequent intervals, to apply the test of practical experience to his contemplated venture before staking all upon a doubtful experiment.

Every company can cite many conspicuous examples of successful solicitors secured in this way; and every insurance official and agent has seen numbers of disappointed and discouraged men, who had made the mistake of "quitting a certainty for an uncertainty."

Many of the Mutual Life's best producers wisely began their insurance careers by devoting only a part of their time to the business until they had proved their adaptation to the work. Many first-class producers have come to us, who were previously engaged chiefly in other lines of insurance work, but who gave some attention to life insurance, some of them having hesitated long before wholly abandoning an established and successful business. Numbers who still hesitate to make the apparent sacrifice continue to send in many applications yearly, and we get no better business. Many of these will sooner or later give us their whole time.

The system of recruiting the field forces of the several companies from the ranks of part-time men is general and is indispensable. The alternative would be to persuade good men to abandon occupations in which they are now successful, generally to their own great detriment, or to entice away the agents of other companies by offering greater financial inducements. The latter course, besides leading to increased expenses, would be unethical and is unthinkable. There would remain one other source from which to recruit our ranks—the derelict of the business world, the men "who failed at everything else."

In reply to your special query, I see no objection to licensing an officer or employe of a factory or similar institution, who would solicit chiefly among those employed in the plant. The latter need insurance, but under the usual regulations they cannot be solicited in the ordinary way. With the plant inaccessible to the regular solicitor, many of these employes would remain uninsured if no one connected with the institution could act as agent.

The attitude of the Equitable Life Assurance Society was described by A. R. Fullerton, superintendent of the society's Bureau of Statutory Requirements, as follows:

This society is in thorough accord with the idea of limiting the number of licenses issued, but we obtain many whole-time men who started as part-time men; men who did not feel justified in relinquishing their old positions, they being very often on a salary, until they had studied the question of insurance and obtained applications after business hours. These men have often later developed into whole-time men, that is, men who devote all their time to the soliciting of life insurance.

We make every effort in the beginning to make contracts with only such men that we have reason to believe will eventually give up their other lines of business and become whole-time agents.

R. Seton Lindsay, superintendent of agencies of the New York Life, had this to say:

As a general practice we discourage the employment of part-time men, unless these men intend to go into the business as whole-time agents later; in fact, it is our rule not to execute a contract with a part-time man unless he will put into the writing the fact that he intends within six months to give us his whole time.

Our experience shows that many of our best field men started as part-time agents, and we believe that part-time men are necessary in the business, if they are employed with a view of being made into whole-time men within a reasonable period.

The Phoenix Mutual recently issued a bulletin in which it announced its new program of agency efficiency, giving in considerable detail its views on part-time agents. This company considers the part-time problem "the real center around which future improvements in field conditions must build." Continuing along these lines and developing this theory, we read:

We have discussed the subject from every angle, conferred with our field men and with the managers of other companies. Indeed, we have secured statistics from several New England companies and found that what was true in our company was also true in other companies. Beyond question of a doubt two-thirds of the licensed agents of at least six companies and including approximately all the part-time men, secure less than one-third of the insurance effected each year. We are naturally forced to the conclusion that there is a great waste in the efforts of our managers and a waste of money involved in developing and supervising a large number of men who write only a small part of the business.

Some of the best and largest producers start in at first as part-time men. There are, however, thousands of part-time men licensed as insurance agents in some States who are not true representatives of the business and who write only an occasional case as a side line. In many cases these men are simply order takers. The business may have been sold, that is, the demand created (and the final details postponed) by a full-time man and the part-time man stumbles into the case or hears about it in some way and secures the commission which legitimately belongs to the man who made the sale and who is dependent entirely upon this line of work for his income.

We believe that we have dealt with the problem in all fairness in our plan whereby part-time men will be licensed in the future only with the understanding that a minimum amount of new business must be written during the year in order to insure a renewal of the license for the succeeding year and also that in other than rural communities part-time men shall be licensed only with the understanding that the first year is an apprenticeship and that the renewal of the license for the succeeding year depends upon their becoming full-time men. This may seem to be a radical step, but it is one which we believe is fully justified and will eventually broaden into a general movement for the elimination of the untrained, unsuccessful part-time man.

What proportion of solicitors starting as part-time men eventually devote their entire time to the business? This is a question which has doubtless occurred to every man who has had occasion to consider the part-time problem. One company—the Fidelity Mutual—has made a canvass of its field staff and has ascertained that 42½ per cent. of its agents began soliciting insurance as a side line.

The Life Extension Institute.

"Life is not to live," said Martial, "but to be well." This truism is strikingly brought to our attention by the plans and purposes of the Life Extension Institute, which was recently incorporated with ex-President William H. Taft, Chairman of the Board of Directors, and Elmer E. Rittenhouse, Conservation Commissioner of the Equitable Life, as President. Reviewing the field of activity which the Institute has mapped out for itself, we are not inclined to believe that the object of the Institute is to be summed up, as an editorial in one of the daily papers says, in the old saw, "A stitch in time saves nine." We believe that the Institute intends to obviate the necessity of even one stitch, to say nothing of the nine. That is to say, that when the organization is fully established and in practical working order thousands of the men and women of this country will have available such means as will keep them so well advised of their physical condition as to resort to such preventive and prophylactic methods as will render unnecessary the surgeon and his consequent stitch.

The Institute, while primarily philanthropic, unlike some other agencies to promote health and longevity, will be placed on a self-supporting basis. It is said that \$1,000,000 will be at the disposal of the management, although it is believed that but a small proportion of this amount will be required at the present time.

On its philanthropic side the Life Extension Institute will disseminate life-saving knowledge which is to be supplied by savants from all parts of the world through the Institute's Hygiene Reference Board, of which Prof. Irving Fisher, of Yale University, will be chairman. It is announced that Col. William Crawford Gorgas, whose remarkable fight against yellow fever in Havana and the Canal Zone has called forth commendation from all parts of the globe, will be on this board as chief consultant in sanitation. The information given by this board will be given to the public without money and without price.

As to the business side of the organization, the Institute will offer its services to life insurance companies and to the general public as examiners to determine the physical condition of policyholders and individuals at a very reasonable fee. The plans call for a large staff of physicians to be maintained at headquarters in the large cities of the United States.

The Board of Directors is as follows: William H. Taft, Chairman; Harold A. Ley, of Springfield, originator of the plan; Prof. Irving Fisher, of Yale; E. E. Rittenhouse, Robert W. De Forest, Frank A. Vanderlip, Dr. E. R. L. Gould and Charles H. Sabin, of New York; Francis R. Cooley, of Hartford, Conn., and Henry A. Bowman, of Springfield, Mass.

Speaking of the scope of the Institute, Professor Fisher has this to say:

The method to be used to prolong life is very simple and the same as applied to ordinary machinery—inspection and repair. Any person, whether as a policyholder in a company which employs the Institute or as an outside individual, may have an expert examination made of his physical condition. If he is entitled to the examination as a policyholder, he has it without cost to himself.

After the human machine has been inspected, the individual will be advised to see his family physician, who will be furnished a full statement of the results of the examination—high blood pressure, or whatever the disability may be.

Conservation of Policy Proceeds.

Sylvester C. Dunham, president of the Travelers, in his address at the seventh annual meeting of the Association of Life Insurance Presidents, gave some startling figures as to the amount of money lost by the American public through fraudulent schemes operated through the mails. According

to Mr. Dunham \$77,000,000 was the amount which, according to the Post Office Department, proprietors of such schemes had obtained from the people of this country during one year. As to just what proportion of this amount was originally the working capital of life insurance beneficiaries no estimate can safely be made. Bearing in mind the fact that "every widow is a shining mark for every mining shark," and in view, too, of feminine propensities with the proceeds of a lump sum policy suddenly at disposal, it may be assumed that the providence of thousands of husbands failed to be of practical benefit.

The Post Office Department has been unusually active during the past year in prosecuting "get-rich-quick" concerns using the mails, so that for the years of 1913 and 1914 the total loss to the people of America has been approximately \$129,000,000.

According to W. H. Lamar, Assistant Attorney-General for the Post Office Department, reliance upon the courts have proved ineffective. "Criminal proceedings are necessarily slow," says Mr. Lamar in his annual report, "and by means of appeals and other methods the execution of sentence is deferred for long periods, during which the concerns and individuals engaged in such fraudulent businesses continue to reap a harvest. In some instances, the penalty being merely a fine, there was nothing to prevent the parties from continuing to conduct their schemes except fear of subsequent fines. These they could easily afford to pay in view of the large revenues derived from the businesses."

And yet there are agents who still continue to advise the old lump sum form of policy. As Charles W. Scovel said at the Atlantic City convention: "We can no longer say, 'I didn't know.'" Dare we henceforth—dare we say, "I forgot," or "It was too much trouble?"

What the Local Associations Are Doing

Life Association News has no paid correspondents. We depend entirely upon the secretaries of local associations to send us stories of all meetings of their respective associations. If an account of the last meeting of *your* association does not appear in this department, ask the secretary of your organization why he did not send us the particulars.

Immediately after each meeting, on the same day if possible, secretaries of local bodies should send us a full account of the business transacted, including copies of all speeches, or extracts from the most important of them.

Akron.

The December meeting of the Akron association was in the form of a noonday meeting, with twenty-five members present. The principal feature was an address by State Senator W. F. Potting on "Taxation of Life Insurance. What It Means to Policyholders."

Columbus.

Hon. James M. Cox, Governor of Ohio, was the guest of honor and principal speaker at the December meeting of the Columbus association, which was held at the Hotel Chittenden. Mr. Cox was not in favor of State Life Insurance. It was ladies' night, and twenty-three ladies were present. Governor Cox said that there had not been a complaint registered against life insurance companies or life insurance agents in any of the departments during his administration. He declared that there was no call for State Insurance or for any supervision beyond which the State now has. The Governor also made a careful comparison between the methods of the liability companies and the life companies, and explained why he thought it necessary for the State to enter certain fields hitherto occupied by the liability companies. He believed that it was not desirable for any State to engage in any business, provided it can be carried on as satisfactorily by private enterprise.

Attorney-General Timothy L. Hogan preceded Governor Cox and spoke highly of the life insurance profession and its field representatives.

Chattanooga.

A. S. Caldwell, second vice-president of the Volunteer State Life, was the principal speaker at the luncheon of the Chattanooga association, held on Jan. 9 at the Hotel Patten. The subject of Mr. Caldwell's address was "What Is Life Insurance, Anyway?" In the course of his remarks he mentioned the fact that over \$400,000,000 was being paid out annually by life insurance companies in beneficences, and called attention to the great benefit this was to those left helpless and unprotected.

The association decided to send a copy of its publication, *The Life Insurance News*, printed every Saturday in the *Chattanooga News*, to every one of the local associations of life underwriters. The Chattanooga association was the first local body to inaugurate a department of its own in a daily newspaper.

Detroit.

With over 100 members in attendance, the Detroit association held its January meeting on the 5th inst. State Insurance Commissioner John T. Winship was the only formal speaker. This was the commissioner's first appearance before the local association, but he made a favorable impression. He dwelt to a considerable extent upon various forms of comparisons as advertised by some of the companies and called attention to the Michigan law which prohibits incomplete comparisons of policies by agents.

Supported by a delegation from the Detroit association, Franklin B. Mead, Secretary and Actuary of the Lincoln National Life of Fort Wayne, recently addressed the senior class of the Eastern High School at Detroit. In his address Mr. Mead explained the four principal policies in use—the ordinary life, limited payment life, the endowment and the term. The students were evidently much interested, and particularly so when the speaker cited figures compiled by a statistician of an Eastern college, which keeps records of the career of its graduates, showing that those who took up life insurance as a profession made larger incomes than those who adopted some other calling.

Duluth.

The Duluth association held its annual meeting and election of officers on the 3rd inst., with the following result: President, W. L. Smithies, Metropolitan; first vice-president, C. H. Giddings, John Hancock; second vice-president, H. I. Pineo, Penn Mutual; treasurer, Charles D. Oreckowsky, Equitable; secretary, George Wilson, State Mutual.

Fort Dodge.

"The year just closed has been the formative period of this association," said Burton H. Saxton, retiring president of the Fort Dodge association, at its annual meeting on the 3rd inst. "The motives and ideals which have governed this organization have persisted and have had direct and continuous influence on its plans. More than that, the actual results accomplished have borne out, in no uncertain way,

the original claim made that the association work could and would better conditions in the local field. It is no doubt true that these conditions were at the outset more favorable for such a move than in many places, for with very few exceptions the life underwriters to whom the plans were presented were of the type which is willing to take the broader view and which welcomes anything that makes for high grade of efficiency."

M. V. Keith, secretary of the association, reviewed the year's work, calling attention to the increase in membership, and urged the members of the association to make an effort to attend the Cincinnati convention of the national body.

A movement was also set on foot with a view to holding a life insurance congress some time during the early summer under the auspices of the local associations of Iowa, Missouri, Kansas, Nebraska, South Dakota and Minnesota.

The annual election of officers for the ensuing year resulted as follows: President, A. E. Wilder, Equitable Life; vice-president, J. O. Broleen, Northwestern Mutual; secretary, M. V. Keith, Register Life; treasurer, David P. Smith, Central Life of Des Moines.

The members of the association are now preparing a series of non-partisan educational lectures on life insurance which will be delivered at the business colleges and the high school of Fort Dodge. Arrangements will also probably be made to deliver this series of lectures in some of the principal towns of the neighboring counties.

Iowa.

Officers for the Iowa association were elected for the ensuing year at the annual meeting of the organization at the Grant Club, Des Moines, on the evening of the 3d inst.

The business formalities were preceded by the usual banquet. The officers elected were:

President, George W. Hughes, of the Aetna Life; first vice-president, M. M. Deming, of the Kansas City Life; second vice-president, L. E. Dutton, of the Metropolitan Life; secretary, W. D. Bowles, of the Phoenix Mutual Life; treasurer, H. A. Bryan, of the American Life; national committeeman, J. A. Blum, Equitable Life of New York.

Executive committee—C. M. Anderson, of the New England Mutual; Claude Fisher, of the Connecticut Mutual, and J. A. Blum, of the Equitable.

A vote of thanks was extended to J. A. Clapp, the retiring president, who made a brief response and called attention to organization problems which had been solved during the year and which he declared would smooth the path for the new officers.

Features of the meeting were the annual reports of the retiring president and committees. A feature of the president's report was a review of burdens placed on the life companies by the income tax. To these, he said, a vigorous protest was offered by the National Association. Mr. Clapp urged the formation of the committee to work against all unjust taxation against life insurance companies, which he intimated is ultimately paid for by the policyholder. He urged the idea of giving publicity to life insurance both by advertising and by means of lectures. He declared that what helps one helps all.

M. M. Deming, chairman of the printing committee, turned over the new membership cards. These cards will be given to members upon the payment of dues and will show that the holder is an insurance man of good standing. The rules were suspended and the officers were elected *viva voce*.

Kansas.

The Kansas association held its regular monthly meeting at Topeka, and, in keeping with its progressive methods, decided to issue membership cards and to advertise generally that a card membership in any of the Kansas local bodies was guarantee of a square deal. It was also decided to establish a bureau in which to file the names and description of men against whom complaints have been lodged. The Kansas association will ask the Wichita body and the under-

writers' association at Salina to co-operate in this plan. It is supposed that when this bureau is in full operation it will eliminate certain unreliable field men who have been guilty of reprehensible field practices and who show no desire to reform.

Kansas City.

The 25th anniversary dinner of the Kansas City association was held on the evening of Dec. 20 at the Baltimore Hotel, Kansas City. Darby A. Day, manager of the Mutual Life of New York at Chicago, was the principal speaker. Ex-Governor Herbert A. Hadley and Prof. William F. Gephart, of Washington University, St. Louis, were scheduled for speeches, but both were unavoidably detained. Ex-Senator A. L. Cooper, of Kansas City, spoke in the place of Mr. Hadley, while W. H. Watlington, formerly of Oklahoma City, substituted for Prof. Gephart.

Mr. Day did not go into the technicalities of the profession, but delivered a stirring address of an inspirational character. One point which the speaker brought out and which was the subject of considerable discussion was in regard to the reservation clause which is taken advantage of by many policyholders. According to the speaker, where the insurer retains the power to change the beneficiary at any time, the policy is his own policy, and in case of financial difficulty would be listed as part of his assets. He declared that any agent who permitted a policyholder to make this reservation without fully explaining the subject was not living up to the highest ideals of the profession.

Senator Cooper spoke briefly, giving his viewpoint on life insurance as a layman. Mr. Watlington, who is a new man in Kansas City, displayed an unusual degree of oratorial ability and dwelt particularly upon the ethics of the profession.

Los Angeles.

There was an unusually large attendance at the December meeting of the Los Angeles association. One of the principal features of the meeting was the discussion on "Income

Contracts," the principal speakers being W. C. Mage, of the Northwestern Mutual; L. A. Greenwood, of the Travelers, and George L. Dickenson, of the Connecticut General.

The report of the officers and Executive Committee showed the local association to be in a prosperous condition. The report of the Nominating Committee was adopted without opposition and the following officers were elected for the coming year: President, A. S. Chipron, Equitable; first vice-president B. P. Rouse, Mutual Benefit; second vice-president, W. C. Shaw, Metropolitan; secretary-treasurer, W. McClelland, Equitable.

A vote of thanks was extended to all the retiring officers, and special mention was made of the excellent work done by President Frank E. McMullen and Secretary McClelland. Mr. Chipron briefly thanked the members for the honor which had been conferred upon him.

Louisiana.

The adoption of a resolution requesting Tulane University to establish a course in Life Insurance as a part of its curriculum and discussion of methods for eliminating life insurance agency work as a "side line" comprised the principal action of the Louisiana association at a monthly meeting in the evening of Dec. 30. Wilson Williams, general agent for the New England Mutual and vice-president of the association, was host, at his residence, 1821 Marengo street. A special feature of the meeting was an address by Dr. Max Heller, rabbi of Sinai Temple.

Thomas J. Kelly, of the Mutual Life, paved the way for a spirited discussion when he made a motion that any general agent employing men to solicit life insurance as a "side line" be expelled from membership in the association. He called attention to the fact that some of the companies do employ men in regular positions, such as bank clerks, department store clerks, factory workers and others purely on account of their personal acquaintanceship and daily contact with a large number of fellow workers or with the public. He said that the

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If by this policy we shall
Increase the average income
of the agent and at the same time help to
Decrease the waste through the inefficient Agent
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Every Life Underwriter
to read and think about our advertisements as they appear from time to time.

Phoenix Mutual Life Insurance Company OF HARTFORD, CONN.

JOHN M. HOLCOMBE, President

employment of these "side line" agents, who are not licensed and who really are not legitimately connected with the insurance companies, is demoralizing to the ranks of men who have taken up the work as a vocation and depend upon it for a livelihood.

The sentiment expressed by various speakers was to the effect that the "side line" agency is an evil that should be remedied, but Mr. Kelly's stand in favor of peremptorily expelling general agents now engaged in the practice was regarded as being too drastic. Dr. E. G. Simmons, vice-president of the Pan-American, said that the rule against the "side line" agency would do very well in the city, but that in the rural districts, where it is necessary to constantly develop new talent as agents, a hardship to the companies would be worked. T. P. Thompson, of the Equitable, suggested an ultimatum covering a period of three months. After further discussion it was voted that at the end of one month any general agent not living up to the terms of the motion be expelled from membership, only one, Frank J. Levy, of the Equitable, voting in the negative. Mr. Levy gave as his reason the rural conditions previously mentioned by Mr. Simmons. It was stated that only three of the general agents will be affected by the new rule.

Crawford H. Ellis, president, was absent during the part of the session devoted to business, and Mr. Williams presided. Correspondence between a committee and Dr. Robert Sharp, president of Tulane University, in which the latter stated that the institution at this time did not have the necessary funds to institute a course in insurance, was read. The resolutions later adopted requests the establishing of such a course at the earliest possible time. The executive committee reported in favor of admitting to associate membership the medical examiners.

It was decided that hereafter a program and entertainment will be furnished each month by the representatives of the various companies in turn. An informal luncheon was served. Mr. Levy will entertain the association at his residence at the next meeting, late in January.

The address of Rabbi Heller evidenced a careful study into the more serious phases of life insurance and its significance as a factor in family life. He was accorded warm applause.

"There is one aspect particularly from which the work of the life underwriter appeals to me as one of the great educational agencies of our day," he said.

"The spread of life insurance signifies an education in providingness, a deepening and rationalizing of family affection, the emancipation from humiliating charity, the growth of self-control and self-respect. To large classes of our population the insurance agent is almost the only practical and forceful preacher of the duty of looking ahead. How many occupations there are, both commercial and professional, in which the workers earn comfortable incomes without ever seeming able to accumulate any appreciable amount of capital!

"When one sees, however, that despite all lessons by far the largest number of people require outside pressure to perform this duty toward those who depend upon them, one can

only realize how necessary it is for every factor of publicity to strengthen and deepen a healthy public opinion which will demand protection for the family.

Louisville.

For some time past strenuous efforts have been made by the Louisville association to discourage the practice of rebating, and a reward was offered for the conviction of rebaters. However, Insurance Commissioner M. C. Clay has refused to co-operate with the association, and without the assistance of the Commissioner, the association is in a quandary as to how to go about the matter. The Legislative Committee, it is expected, will recommend two changes in the present law on the subject—one making the policyholder who receives a rebate equally guilty with the agent, and the other voiding the policy.

Western Massachusetts.

Congress was a shuttlecock that was batted from highest praise to deepest condemnation at the monthly meeting of the Western Massachusetts association in the Nelson-Haynes Hotel in Springfield on the evening of Jan. 8. More than 50 insurance men heard Joseph C. Allen, actuary of the Union Trust Co., say Congress never did a better act than when it made the currency bill a law, and then listened to Walter P. Hawkins, general counsel of the Berkshire Life Insurance Co. of Pittsfield, call certain legislation "rapacious" and "unjust" and speak glowingly of the "ignorance of leaders in Congress."

Mr. Allen was the first speaker at the talk, which followed the banquet, and he outlined the important points of the currency law, precluding his remarks with the statement that it is beyond question one of the most important legislative acts ever passed by Congress. Mr. Hawkins, on the other hand, began by saying that although the original principle of taxation of insurance companies by the States, to the end that each company should contribute annually to cover the expense of the maintenance of the insurance departments of the various States, was laudable enough, that, as the work of these departments has become simpler and the collection of taxes easier, "the assessments levied upon insurance companies have become increasingly rapacious." This same condition, Mr. Hawkins said, exists in the Federal Government.

Memphis.

The first meeting of the Memphis association for the new year will be held at the new Hotel Chisca on the 23d inst. Bolling Sibley and John E. Lippett have been named as the local Committee on Education and Conservation.

Minneapolis.

The December meeting of the Minneapolis association was held on the 27th of that month. Hon. M. C. Tift discussed "The Points of Law that a Life Insurance Man Should Know." He called attention to the responsibility of the agent, in part, as follows: "An insurance agent, or broker, who acts for another in making a contract for insurance is held to be the company's agent, and any fraudulent representation by which such agent or broker procures the payment of, or an obligation for the payment of, insurance pre-



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RESULTS

	1910.	1911.	1912.	1913.
Accident and health premium income.....	\$88,554.63	\$173,499.17	\$232,325.06	\$251,673.10
Total income.....	1,575,106.45	2,041,106.71	2,474,765.36	2,721,852.51
New paid life insurance (excluding additions)..	5,794,054	*8,304,161	13,162,372	14,207,201
Total paid life insurance in force December 31..	37,220,289	50,639,838	56,415,885	61,488,945

*Not including reinsurances.

A corps of intelligent, industrious and loyal agents is a very real asset to an insurance company. The above figures will show something of the value of capable agency service to this company.

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President

WILLIAM C. JOHNSON
Vice-President and General Manager

mium is guilty of gross misdemeanor. Any solicitor, or agent, or examining physician, or other person, who knowingly and wilfully makes a false or fraudulent statement in, or relative to, any application for insurance for any person whatever, is guilty of gross misdemeanor. No oral or written misrepresentation made by the assured, or in his behalf, in the negotiation of insurance shall be deemed material and defeat or void the policy unless made with intent to deceive and defraud or unless the matter misrepresented increases the risk of loss."

Minnesota.

Darby A. Day, manager of the Mutual Life of New York at Chicago, was the guest of honor and the principal speaker at the last meeting of the Minnesota association, which was held in St. Paul on the 5th inst. The meeting was held at noon, and Mr. Day told how it had been possible for him to write through his agency \$1,000,000 a month. He defined very clearly his idea of a successful agent, and stated that he urged his solicitors to let it be known that they were selling service. He also emphasized the necessity of fitting the policy to the individual and made reference to State taxation.

The association voted to adopt the resolution of the National Association which was passed at the Atlantic City convention with regard to taxation of life insurance funds.

Mississippi.

There was a meeting of the Mississippi association on the evening of Dec. 31 at the Edwards Hotel, at Jackson. President E. L. Ragland announced that the meeting was called to discuss matters of general interest and to close the old year with a good fellowship and get-together conference. The plans of the National Committee on Education and Conservation were discussed and unanimously endorsed. The association by unanimous vote also recommended that managers and other life insurance men in Mississippi contribute the amount requested by the Committee on Education and Conservation.

It was resolved that the association should hold its meetings regularly on the first Monday of each month in 1914, and a list of subjects for discussion should be sent in advance to each member of the association. The president read a list of subjects that he had selected for consideration at future meetings. Only a few minutes will be devoted by any one speaker to discuss any one subject. Interesting talks were made by W. Q. Cole, president of the Lamar Life; W. A. Montgomery, of the Franklin Life; Felix E. Gunter, of the Penn Mutual; C. H. Thompson, of the Reliance Life; W. E. Mallett, of the New York Life; A. C. Gunter, of the Prudential; W. H. Pullen, of the Security Mutual, and Fred Sullens, editor of *The Daily News*. Each speaker's remarks were of practical value to the members and the best of good feeling and good fellowship prevailed.

A press committee was appointed to represent the interests of the association and to give publicity to matters of general interest.

Nebraska.

At the annual meeting of the Nebraska association, held in Omaha on the 3rd inst., the following officers were elected for the ensuing year: President, Tom S. Kelly; vice-president, Charles H. Johnston; secretary, W. D. Morton; treasurer, Freel B. Dale; executive committee, G. W. Noble, chairman; Franklin Mann, W. G. Preston, George T. Blandford and H. O. Steele.

Among the speakers were H. D. Neely, C. F. Junod and W. A. Smith.

New Hampshire.

A meeting of the New Hampshire Life Underwriters' Club was held at Manchester on the 9th inst. and the matter of the agents pledging five cents per thousand of paid-for business to be contributed toward the fund now being raised by the National Committee on Education and Conservation was favorably discussed. It is reported that a large majority of the general agents of this association are inclined to lend their assistance to the movement; in fact, a resolution was passed to this effect.

New York City.

Dudley Field Malone was the guest of honor of the New York association at its December meeting, which was held at the Whitehall Club at noon on Dec. 27.

President Edward W. Allen introduced Mr. Malone in a few brief remarks. Mr. Malone did not attempt to tell his audience how to write life insurance. He did, however, make an exceedingly favorable impression by outlining certain innovations which he intended to institute in the discharge of the duties of his office. He believed that it was time that we assumed that public officials were honest and that any man who exceeds above his expressed obligation to the public deserves recognition. The speaker gave a brief outline of some of the difficulties in connection with his office and stated that it was the personal element in life which interested him most.

William F. Atkinson, secretary of the association, announced the election of several new members and reported progress in investigating several cases of rebating. He referred to the fact that it was difficult to secure evidence in the cases of alleged rebating. Frequently, in his opinion, many cases were reported which were the result of mere supposition on the part of a disappointed agent. Mr. Atkinson called the attention of those present to the fact that the association had subscribed to 75 copies of the proceedings of the Atlantic City convention and subscription blanks were passed around in an endeavor to dispose of the copies of the volume in his hands.

T. Reid Fell, a former president of the New York association and organizer of the Daily Luncheon Club, announced that the regular meetings would be postponed until Jan. 5, at which time sessions would be resumed every day at the Press Club. He urged the members to take interest in the club and believed that a daily attendance could be increased to an average of 30 or 40 members.

President Allen called attention to the January meeting of the association, which will be held on the 27th inst. Edward A. Woods, vice-president of the National Association, will be the principal speaker and will discuss unjust taxation of life insurance funds.

Oklahoma.

Forgetful of premiums and everything connected with the insurance business, the Oklahoma association ate and was merry at the annual banquet and musical at the Lee-Huckins Hotel in the evening of Jan. 5.

Toastmaster J. Henry Johnson, president of the association, in a few appropriate remarks, introduced Deputy Insurance Commissioner Arthur W. Pettit, who delivered an interesting address on "Oklahoma a Miracle of Practical Progress." In opening Mr Pettit said:

"One of the axioms of science is that the whole is greater than any of its parts, and it seems to me that you good men had in mind this charitable truth when you enacted your constitution and by-laws, as your energies are directed toward the betterment of the insurance profession, rather than the advancement of the desires of any individual. It should be our steady purpose, each of us, to raise our profession to the highest possible standard, and not attempt to obtain temporary personal advantages by shams and shadows. We should fix our eyes upon the ideal and endeavor to obtain a realization of our dreams.

"When a body of men of such magnificent character, ability and intellect as is possessed by the members of this association unite their energies in a worthy purpose, the results of their labors is an improvement in organized society."

Following Mr. Pettit, Dr. Phil C. Baird, of the First Presbyterian Church, spoke on "The Power, Use and Majesty of the Mind." Rev. Baird pointed out the difference between the power of tangible things and the power of intangible things, of which he said the mind was a good example. He spoke in complimentary terms of the work done by the insurance men and how much they had accomplished in grasping the intangible and making it do their bidding.

The closing address on the program was delivered by Attorney Ed S. Vaught.

Mr. Vaught spoke in his usual humorous vein and kept his hearers in a merry mood by his sallies that were aimed at insurance men and those of other professions.

At the close of the banquet the following officers were elected:

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We are the leading specialists in Annuity business.

Special terms for Annuities on impaired lives.

Good contracts for men who can sell our attractive Life, Endowment and Annuity policies.

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F. C. HOLBECK.....Lansing, Mich.

NEIL D. SILLS.....

C. E. KREGLOE.....Baltimore, Md.

ERNEST W. OWEN.....Detroit, Mich.

E. E. WILKINSON.....Port Huron, Mich.

.....Richmond, Va.

J. Henry Johnson, president, Oklahoma City; Milas Lasater, first vice-president, Oklahoma City; A. V. Davenport, second vice-president, Tulsa; Charles W. Gunter, secretary, Oklahoma City; J. N. Dyer, treasurer, Oklahoma City.

Executive Committee—O. F. Wilson, chairman; J. C. Clark and C. S. McGaughey, all of Oklahoma City; R. G. Emmert, Muskogee, Okla.

Oregon.

The Pacific Coast membership trophy was on exhibition at the December meeting of the Oregon association, which was held in Portland on the 15th of that month. President Hubert H. Ward urged the members to make an effort to increase the membership of the local body. Secretary E. W. Smith presented his resignation, stating that he was not able to devote sufficient time to the work, and the executive committee selected Joseph H. Gray as his successor.

Mr. Ward called the attention of the members to certain editorials which had appeared in local papers suggesting that the public patronize Oregon companies only. He read a letter from the executive head of one of the publications intimating that money spent in the advertising columns sometimes influenced the editorial policy. Other matters which were discussed were the resident agents law in Washington and the ruling of the Oregon Insurance Department on the subject. The meeting closed with a debate on the relative merits of ordinary life and endowment insurance. The principal speakers were D. C. Herrin, who took the affirmative side, and H. G. Colton, who represented the negative.

Puget Sound.

"The spirit of enmity and jealousy that formerly prevailed between one insurance man and another, each struggling in the insurance field to outdo the other, now lies far in the background and a new spirit of good fellowship, friendliness and respect has taken its place."

These words, spoken by Malcolm Hughes, Seattle manager of the Travelers', sounded the predominant note at the season-end banquet and meeting of the Puget Sound Life Underwriters' Association, held in the lecture room of the Seattle Commercial Club in the evening of Dec. 29. It was an open meeting and nearly 100 insurance men were there.

W. D. Mead, State general agent of the health and accident department of the Pacific Mutual, who was one of a party of four to donate an attractive silver trophy to be contested for between the various underwriter clubs of the Coast, reported that Seattle has a good chance to take the cup at the end of the first "game," which terminated on New Year's Day. It is quite possible that Mr. Mead's opinion was well founded, as the association at this meeting admitted 84 new members. This gives this local body a membership of over 150.

Other speakers were L. A. Nadeau, agency manager of the Equitable Life Assurance Society and president of the local organization, and A. Greenwell, of the same company.

Rochester.

The November meeting of the Rochester association was held on the 25th of that month. The speakers were Willis K. Gillette, former sheriff of Monrow County, and the Rev. Paul Moore Strayer, pastor of the Third Presbyterian Church. Mr. Gillette's subject was "Service," while Mr. Strayer discussed "Temperance."

The tenth regular meeting of the association was held on Dec. 31. A beautifully decorated Christmas tree had been placed in the middle of the room and from it W. J. Bott, representing Santa Claus, distributed gifts to each member.

The annual meeting and election of officers will be held on the 17th inst. National President Ernest J. Clark has been invited to address the association at its February meeting, and invitations have been extended to the members of the Buffalo and Syracuse associations to be present on that occasion. Plans are being made to make this affair the largest of its kind ever held in Western New York.

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Of the 5,153 domestic death claims paid by the Equitable during 1912, nearly 98 per cent. were paid within one day after receipt of "Proofs of Death."

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A Company sufficiently large and strong to insure applicants for large amounts under a single policy.

A Company whose policyholders include the World's Captains of Industry, whose identification with the Equitable is in itself an endorsement.

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A Company engaged in a broad "conservation of life" movement—aiming to lengthen the lives of its policyholders as well as insuring them.

The Society has openings in practically every State for energetic soliciting agents of character and ability. Address

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San Francisco.

At a recent special meeting of the San Francisco association the following resolution was adopted:

"Be it Resolved, First, That a special vote of thanks and appreciation be tendered the Life Underwriters Association of Oregon, for the framing, introduction and adoption of this resolution (referring to a resolution endorsing the World's Insurance Congress);

"Second, That a vote of thanks be extended to all other associations who have up to date adopted this resolution;

"Third, That as the Los Angeles association has already joined the Oregon association in adopting this resolution, and as the delegates to the Atlantic City convention from the Los Angeles association, the Oregon association and the Seattle association all heartily co-operated with the San Francisco delegation in creating sentiment expressed in this resolution; be it

"Resolved, That all Pacific Coast associations be, and are hereby invited to co-operate with the San Francisco association in arranging for and acting as hosts to this 1915 convention of the National Association of Life Underwriters in keeping out here in 1915 of the National Association of Life Underwriters may be truly a Pacific Coast affair, and to this end be it further

"Resolved, That all other Pacific Coast associations are invited to appoint committees to arrange for special delegations to meet at some point en route to the Cincinnati convention in 1914, to the end that the delegates from all Pacific Coast associations may go there in a solid body."

The principal feature at the regular December meeting of the association was the adoption of the proposed amendment to the association's by-laws by which the age requirement of company membership was reduced from seven years to two years. There was some little difference of opinion, but the members were practically unanimous in favor of the amendment. The San Francisco Cincinnati Club was launched after a report by the committee, which was composed of Messrs. Hathaway, Bell and Osborne. This committee made several recommendations and proposed the following agreement:

We, the undersigned, members of the Life Underwriters' Association of San Francisco, constitute ourselves the "San Francisco-Cincinnati Club."

The purpose of this club is to insure a large delegation to the twenty-fifth annual convention of the National Association of Life Underwriters, to be held in Cincinnati early next fall. To accomplish this worthy purpose, we agree as follows:

First—Each signer hereto agrees to deposit with the duly elected club secretary-treasurer upon the 15th of each month, commencing December 15, 1913, and continuing to and including the month in which the convention is held, the sum of at least ten (\$10) dollars.

Second—Should any signer hereto be unable to attend the convention, he may designate a substitute, provided only such

substitute is a member in good standing of our association.

Provisions Governing Fund.—First—As soon as five members have signed this agreement, said signers shall elect a secretary-treasurer, who shall have charge of these funds until disbursed for the purchase of round-trip railroad transportation and Pullman accommodations, which are the purposes for which the funds are being collected, and any amount exceeding that requirement will be returned to the depositors.

Second—When the club membership is completed an election of a president and first and second vice-presidents shall take place by the member securing the greatest number of subscribers to this agreement being designated as president, and the second and third largest numbers first and second vice-presidents, respectively, and these three officers shall have charge of the trip and be given prominence in connection with the activities of the club while at the Cincinnati convention.

Third—Should any signer hereto be unable to attend the convention because of illness, or should any signer hereto remove from this territory, or for any reason leave the insurance business, the full amount deposited by him shall be refunded.

Fourth—Should any signer hereto (not being relieved by the third paragraph) fail to attend the convention, or fail to send a qualified substitute as above provided, 75 per cent. of his total deposits shall be refunded to him.

Fifth—It is understood and agreed that these deposits shall be made promptly the 15th day of each month, and that the money so deposited is for the sole purpose of purchasing round-trip tickets and Pullman accommodations, and after that is accomplished and the refunds called for above are made, if any, that the remaining moneys in the treasury, if any, shall be equally divided between the signers hereto, or their substitutes, prior to leaving for the Cincinnati convention, when this fund will be entirely disbursed.

South Dakota.

The regular monthly meeting of the South Dakota association was held on December 20 at Sioux Falls. It was expected that Insurance Commissioner Stablien would be present, but he was unavoidably detained and in his absence President George R. Douthit announced as a subject for discussion "Life Insurance for Business Purposes." West Babcock, George F. Jones, R. J. Woods, B. C. Shaw and F. H. Davis participated in the discussion, which was of great interest and brought out many new points of value to all.

Manager B. C. Shaw, of the Mutual Life of New York, paid a glowing tribute to John Mullanney, general agent of the Northwestern Mutual, who had just completed thirty years of service with that company in the State of South Dakota. Mr. Mullanney responded briefly.

Charles M. Day, editor of the *Argus-Leader*, spoke on the need of co-operation in any business, and ventured the idea that it was more essential in the life insurance profession than in other lines.



ORGANIZED 1868

Here's A Fact—Look Into It.

The Pacific Mutual is an open door of opportunity for high class field men. A California Company with a clean past and a great future.

Admitted Assets \$27,000,000
Life Insurance . 137,000,000



Home Office, Los Angeles, Cal.

Syracuse.

At noon on December 20, in the Tabard Inn Restaurant of the Yates Hotel in Syracuse, the Syracuse association held its regular monthly meeting. There were thirty-one members present, which was considered a splendid attendance during the holiday season. Announcement was made by the Committee on Education and Conservation that a course of lectures on Life Insurance had been arranged for at Syracuse University, beginning the first Monday of February and continuing every two weeks for five lectures. These courses of lectures will be conducted by Charles W. Scovel, General Agent of the Northwestern Mutual at Pittsburgh and former president of the National Association.

While the course is arranged primarily for the students of the university, doubtless they will be well attended by life insurance representatives and men in other professions.

The course as outlined is as follows:

Feb. 9. Life Insurance, the Institution. Its History and growth. What it is, and whose. Its stability and permanence.

Feb. 23. Services to the Community. Economic. Social. State operation, regulation, taxation.

March 9. Life Insurance, the Applied Science. Premiums, reserve, policies. Special lines sub-standard, industrial, group. Administration, investment.

March 23. Services for Individuals. For old age. For the estate. For the business. For the family.

April 6. The Life Insurance Agent. His necessary service. His field and responsibility. His education and training.

The association endorsed the recommendations of the Executive Committee for a compilation of a life insurance directory, to include all agents licensed in Syracuse and Onondago County, giving names and address, company represented and whether part or full-time men. This list will be compiled at an early date, and will probably be printed and a copy presented to every member of the association. Seven new members were admitted.

Tacoma.

The Second Annual Meeting of the Tacoma association was held at the Tacoma Commercial Club, Saturday evening, Dec. 27, 1913. A large number of the members participated in the banquet, which was followed by the regular business meeting and election of officers. President William Peterson presided.

A committee consisting of H. L. Pelletier, Tallmage Hamilton, Samuel McDowell, M. C. Arvidson and H. L. McConnell had been previously appointed as a nominating committee. Their recommendation was that the following

**AGENTS WHO REPRESENT
THE
PENN MUTUAL
LIFE INSURANCE COMPANY
OF PHILADELPHIA**

**HAVE AN INSURANCE CONTRACT
TO PRESENT WHICH IN THE SUM
OF ALL ITS BENEFITS IS UNSURPASSED
IT IS BEST NOT JUST ONE WAY
BUT BEST ALL WAYS
AND ALWAYS
BACK OF IT IS A SIXTY-FOUR YEAR
REPUTATION FOR FAIR DEALING
WITH ALL ITS POLICYHOLDERS WHETHER
CONTINUING, WITHDRAWING, MATURING
OR DYING**



Safety First!

A message to Union Central Agents

THIS new railroad slogan has a significant meaning to you.

It stands for a company in back of you—which has never for an instant digressed from its original policy of safe conservatism and wise economy—which has for 47 years tacitly and consistently considered "Safety First."

And what has been the result?

Growth in last 32 years, from the twenty-third to seventh largest company in the United States.

A reputation for soundness and safeness that is a by-word in the insurance world.

An investment system unsurpassed in safety—unequalled in high rate of interest earned.

A remarkably low death rate.

And a spirit of sane aggressiveness and sound enterprise that has "made it pay to work for the Union Central."

The Union Central Life Insurance Company

JESSE R. CLARK, President

OF CINCINNATI

ALLAN WATERS, Supt. of Agents

"Net Premium Rate Lowest of All"

THE LYONS PRINTING COMPANY

**MONOTYPERS
LINOTYPERS
BINDERS**

**High-Grade Book and
Catalogue Printing**

**EXPERTS IN
INTRICATE
COMPOSITION**

**NEW YORK OFFICE
ROOM 1126 WORLD BUILDING**

TELEPHONE 3892 BEEKMAN

**A MODERN PLANT
LOCATED AT LYONS, NEW YORK**

officers, who were installed in May of 1913, be re-elected for the coming year: William Peterson, president; Carl Widmann, first vice-president; H. L. Pelletier, second vice-president, and G. H. Jackman, secretary. These officers were elected by a unanimous vote of the association. M. C. Arvidson was elected treasurer, to succeed J. E. Horton.

Secretary Jackman's report showed that the association has a membership of 50 at the present time, and at the time of the organization one year ago there was a membership of 20. The association is in a very flourishing condition, and a great deal of enthusiasm has been manifested by the members.

The publicity committee reported that the newspapers in Tacoma had been liberal with regard to space, and that in several instances a large portion of a page in the daily paper was given over to news of the association.

The names of eight insurance agents soliciting application for membership in the association were passed on at the meeting, and six were elected to membership, while two were rejected.

Texas.

The Texas association held its regular monthly meeting on December 13 at Dallas, the principal speaker being A. B. Francisco, representing the Sheldon School. Mr. Francisco's address had to do with scientific salesmanship and was received with much interest. The association is but seven months old, but already has a membership of 167 of the leading managers and solicitors of Texas. Aggressive efforts are being made to induce all reputable life insurance men in Texas to join the association, and the life insurance men throughout the State have been invited to report to Secretary Bigger any cases of rebating or misrepresentation which may come to their attention. The association has the assurance of Commissioner W. W. Collier that he stands ready and willing to exercise all the authority with which he has been legally vested to assist the association in establishing a high standard of ethics. A special fund has been collected and the association has called the attention of all country attorneys in the State to the matter of the vigorous prosecution of those who violate the insurance laws.

Utah.

The two principal speakers at the December meeting of the Utah association were Wesley E. King, general agent of the Accident and Liability Department of the Aetna Life for Utah, Iowa, Wyoming and Nevada, and Insurance Commissioner W. F. Done. The meeting was held at the Commercial Club, Salt Lake City, on December 20. Mr. King's subject was "System in Selling." The speaker demonstrated the necessity of the adoption of a plan, and showed how unplanned effort generally fails. Mr. Done's remarks had to do with a review of the recent Chicago conference of casualty company officials, agents and commissioners.

Utica.

Systematic plans for stimulating attendance at the Cincinnati convention were discussed at the December meeting of the Utica association. The following committee was appointed to look over the matter: Edward C. Schwab, W. S. Butler and M. Oliver.

The Committee on Education and Conservation, consisting of William H. Shaw, W. F. Wallace and James M. Hay, was empowered to secure speakers for courses on Life Insurance in the local Y. M. C. A. Academy and Business College.

A feature which made this meeting particularly interesting was the general discussion on "Income or Instalment Settlements of Life Policies." The discussion was so animated that the usual closing hour, 8 o'clock, was prolonged to 10:30 o'clock.

West Virginia.

The principal feature of the January meeting of the West Virginia association was an address on "Soliciting" by O. G. Beaus, superintendent, Bradstreet Commercial Agency. A question box proved an interesting feature of the meeting and many subjects of general interest were discussed.

Trouble Proof are the Policies

ISSUED BY THE



WILLIAM N. COMPTON

General Agent

Metropolitan District

ST. PAUL BUILDING

220 BROADWAY

NEW YORK, N. Y.

THAT'S WHY AGENTS HAVE A MINIMUM OF TROUBLE SELLING THEM

Now Then!

YOUR CARD

as a representative of the "Oldest Life Insurance Company in America" will prove your best introduction

THE MUTUAL LIFE

INSURANCE CO. OF NEW YORK

Impregnable Strength

Incomparable Dividends

Maximum Benefits

Minimum Net Cost

For Terms to Producing Agents, Address

GEORGE T. DEXTER, 2d Vice-President

34 Nassau Street, New York, N. Y.

A BINDER FOR

LIFE ASSOCIATION NEWS

WILL COST YOU JUST

ONE DOLLAR

"Cheerful Yesterdays— Confident To-morrows"

Our Field force is "Cheerful" over the yesterdays of 1913—both issues and deliveries were larger than in the phenomenal year 1912. Our Field force is "Confident" in respect to the "To-morrows" in 1914. Already they have made a fine start, and they face the future fearlessly, filled with faith in their country, with pride in their business, and with devotion to their Company.

Occasionally we have an agency opening for a delivering producer.

JOSEPH C. BEHAN, Supt. of Agencies
Massachusetts Mutual
Life Insurance Company

Incorporated 1851

Springfield, Mass.

If You Will Work



as hard for The Prudential as the average man has to work at his own business, you will be amazed at the good results.

**We want Agents. Write to-day
for particulars of agency.**

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

FORREST F. DRYDEN, President.

Home Office, Newark, N. J.

Incorporated as a Stock Company by the State of New Jersey.

Metropolitan Life Insurance Company

(Incorporated by the State of New York. Stock Company.)

THE COMPANY OF the People BY the People FOR the People

PROOF OF PUBLIC CONFIDENCE.

This Company, although it operates only in the United States and Canada, has more insurance in force than any other life insurance company in the world.

The number of policies in force is greater than that of any other company in America, greater than all the regular life insurance companies put together (less one), and can only be appreciated by comparison. It is a number considerably in excess of the combined population of Greater New York, Chicago, Philadelphia, Boston, St. Louis, Cleveland, Baltimore, Cincinnati, Pittsburgh, San Francisco and Kansas City.

SIGNIFICANT FACTS.

This Company's Policy claims paid in 1912 average one claim for every 54 seconds of each business day of eight hours and in amount \$177.51 a minute.

The Daily Average of the Company's Business During 1912

536	per day in number of Claims Paid.	\$256,199.07	per day in Payments to Policyholders and addition to Reserve.
6,765	per day in number of Policies issued and revived.	\$148,616.61	per day in increase of Assets.
\$1,605,814.00	per day in New Insurance issued and revived.	Insurance in Force \$2,604,966,102.00	

Full particulars regarding the plans of the Metropolitan may be obtained of its Agents in all the principal cities in the United States and Canada, or at its

Home Office: 1 MADISON AVE., NEW YORK

ÆTNA Life Insurance Co.

OF HARTFORD, CONN.

ISSUES BOTH

**Participating and Non-Participating
Life and Endowment Policies**

Also Non-Participating Term Policies

Agents will find that the policies of this Company cover a wider range and provide greater benefits than others, and are therefore easiest to sell.

Experienced and successful men, also successful men without life insurance experience, may find satisfactory opportunity with the **ÆTNA LIFE**. Address:

FRANK BUSHNELL, Agency Secretary,
HARTFORD, CONN.

or T. B. MERRILL, Supt. of Agencies,
134 Monroe Street, CHICAGO.

Life Association News

OFFICIAL ORGAN OF THE NATIONAL ASSOCIATION OF LIFE UNDERWRITERS

Entered as second class matter, Feb. 4, 1907, at the Post Office at New York, N. Y., under the Act of Congress of March 3, 1879.

Vol. 8.

NEW YORK, FEBRUARY, 1914.

No. 6.

To the Officers and Education and Conservation Committees of All Local Associations:

Gentlemen—The Education and Conservation Committee of the National Association is glad to report most satisfactory progress in the work of the committee.

The arrangement made by President Clark with Dr. S. S. Huebner, of the University of Pennsylvania, to write the text-book is alone worth all the effort that has been put forth thus far in behalf of the Education and Conservation movement. The outline of this text-book, already submitted by Dr. Huebner and approved by the council and committee, shows that it will supply a want long felt on the educational side of Life Insurance.

Work on the institutional advertising has taken definite form and if every member of the National Association could be supplied with the copy already prepared we would have pledges amounting to \$250,000 instead of \$25,000.

There will be presented to the Executive Committee, at its mid-year meeting in New York, a complete and practical workable plan for publishing these institutional advertisements, even to the extent of identifying those who contribute toward the campaign, if such seems advisable, without detracting from the educational and institutional character of the advertisements.

The committee has been much gratified with the comment which has accompanied pledges, and there is nothing disappointing and discouraging in the way the pledges have come in other than that the committee has positive knowledge that hundreds of men who intended to contribute have delayed sending in their subscriptions.

The indorsement given the plans of this committee at Atlantic City, and subsequent action by the Executive Council, practically request the National Association to try out the plan and the committee are perfectly willing to stake their reputation for soundness of judgment upon what we propose to do with the \$25,000 asked for.

We must, however, have money, both for the educational work and the institutional advertising, and we now ask that all members of the National Association—especially managers—respond to the pledge sent them, so that in further completing plans before the meeting of the Executive Committee in April we will know the sentiment of the majority of the National Association.

Let us give forth the example of a united front in this proposition, because even the most sanguine cannot see the tremendous advantage which will result from this nation-wide movement to the profession of Life Insurance in this country, and to the National Association of Life Underwriters in its future influence and accomplishments.

Will you, therefore, bring this before your local association meetings at the first opportunity?

No actual cash will be called for before June or July.

Yours very truly,

WARREN M. HORNER,

Chairman,

Committee on Education and Conservation.

Read and approved.

ERNEST J. CLARK,

President, National Association of Life Underwriters.

FORMER INSURANCE COMMISSIONER A. I. VORYS, OF OHIO, RENDERS IMPORTANT OPINION OF INTEREST TO ALL LIFE INSURANCE AGENTS.

AN EXHAUSTIVE ARGUMENT ADVANCED THAT RENEWAL COMMISSIONS PAID SUBSEQUENT TO FEBRUARY 27, 1913, ARE NOT TAXABLE UNDER THE INCOME TAX LAWS.

National President Ernest J. Clark and Vice-President Edward A. Woods Recommend Form to Be Used By All Agents In Making Returns, If Favorable Ruling Is Not Secured Prior to March 1.

A few of the big Eastern companies have issued instructions to their field forces concerning the method of complying with the income tax law and dealing specifically with questions peculiar to the business. All agents, general agents, managers and other field representatives will, of course, make their returns on Form 1040, as required of all persons whose income exceeds the amount exempted. This applies also to the members of agency firms, who must make returns as individuals. It is required also, by the Internal Revenue Department, that there be included in the statement of income the profits of the co-partnership, whether these profits are apportioned and distributed or not. The Commissioner of Internal Revenue and the district collectors have authority to compel such a statement of undivided profits.

Incorporated agencies make returns on the old excise tax form. Under the new law there are some changes from the old form. There is no exemption for corporations of \$5,000, and dividends from other corporations must also be included in the income this year.

It is interesting to note that the Internal Revenue Department has practically reversed itself in two rulings on the application of the tax to annuities. On request of the Union Central, the department held that payment of proceeds of policies, "whether the same be in a lump sum or in installments, at the death of the insured, on a matured policy, or as annuities, no withholding of the tax is required." This clearly exempts annuity payments; yet, in a later ruling made on the request of the Mutual Life to pass on a specific case, Commissioner Osborn holds: "Any increment on purchase price of annuity is taxable income, and if in excess of \$3,000 and no exemption is claimed, tax must be withheld."

Renewals Not Taxable.

This takes but a general view of the situation. The question which is at the present time of most interest to the members of the National Association is in connection with renewals. Notwithstanding rumors to the contrary, it is believed that renewal commissions paid subsequent to Feb. 27, 1913, but on business secured prior thereto, are not taxable under the income tax. It has been proposed that a concerted movement of all parties interested in securing a favorable ruling upon this be secured, and that if such action is not obtained prior to March 1, when returns must be made, all agents making returns withhold in the body of the income tax return the renewals on business secured prior to Feb. 27, 1913. But in order to comply with the law the following footnote should be appended. Emphasis should be placed upon the necessity of using the exact phraseology of the following form, and no local rulings should be requested by agents throughout the country:

In addition to the above, I have received certain deferred payments or renewal commissions fully and completely earned prior to February 27, 1913 (amounting to \$.....) as consideration for services rendered and expenses incurred in securing certain policies of life insurance prior to said date, which I am advised by counsel and honestly believe are not "gains, prof-

its or income, received by or accruing to me during the year for which the return is made" within the meaning of the Act of Congress of October 3, 1913, and therefore are exempt from taxation as income.

Former Insurance Commissioner A. I. Vorys, of Ohio, has rendered an opinion that renewals as outlined above are not taxable, and this opinion will be found comprising the body of this article.

It is suggested by other able counsel concurring in Mr. Vorys' opinion that the presentation of this case be made in concert, that it may be presented in the strongest possible way by the proper counsel and a carefully selected case be selected for the test, as the presentation of a less favorable case and by counsel who had not given most thorough consideration to the subject might secure an unfavorable ruling and prejudice all, and that, therefore, communication be made with National Vice-President Edward A. Woods.

Having made the return March 1, with the clause as stated, agents will have until June 1 to decide on the next step.

Numerous citations supporting Mr. Vorys' opinion, showing exhaustive investigation of the subject, will be furnished to anyone interested, upon request, by addressing

EDWARD A. WOODS,
Frick Building, Pittsburgh.

Following is the opinion of Hon. A. I. Vorys, ex-Superintendent of Insurance of Ohio, on renewals under Income Tax Law:

COLUMBUS, O., Jan. 29, 1914.

"You have requested an opinion whether renewal commissions of a life insurance agent, paid in 1913 on business written prior to 1913, should be returned as income under the Federal Income Tax Law of Oct. 3, 1913.

"You have stated that the commissions were earned in years preceding 1913; and that they represent the compensation of the agent for services in prior years, in soliciting business for the company; that upon the acceptance of the policy and payment of the initial premium, the company paid the agent a certain percentage of that premium and agreed to pay the agent a certain percentage of renewal premiums as they accrue and are paid to the company; that the agent's compensation is based solely on the service of soliciting the application and having the policy accepted and the initial premium paid; that the agent is not required to render any further service or do anything further to entitle him to the renewal commissions; and that the contract for the renewal commissions and right to receive them may be assigned to another person.

"I am of the opinion that such renewal commissions on business so written and completed prior to 1913 are not required to be returned as 'income' under the income tax of Oct. 3, 1913.

"The sixteenth amendment to the Constitution provides:

"The Congress shall have power to lay and collect taxes on income, from whatever source derived, without apportionment among the several States and without regard to any census or enumeration."

"The Congress was without the power to lay and collect

such income taxes until this amendment became effective. The amendment did not become effective until it was proclaimed in 1913.

"The income tax law prescribes penalties and forfeitures and probably is within the constitutional prohibition against *ex post facto* laws, and the amendment would not be held to have repealed to that extent the provision of Article I, Section 9, of the Constitution against such laws.

"It can be said that the income tax is not a law imposing penalties and forfeitures and, therefore, not within the prohibition against *ex post facto* laws, still a constitutional amendment, like a law, cannot be given retroactive operation by construction. The sixteenth amendment does not specifically authorize taxes on incomes theretofore earned. It provides power 'to lay and collect taxes on income, from whatever source derived.' It clearly contemplates a tax on income as distinguished from capital or property which are sources of income. It is not retrospective, but prospective, comprehending not incomes of the past but incomes of the future. Future incomes from whatever source may be taxed. The source may be labor, business or property investments, but the earnings of the past, if unpaid, were capital when the amendment to the Constitution took effect. As such capital, they may be sources of income. Incomes from such capital may be taxed, but not the capital comprised in the outstanding unpaid wages or compensation fully earned before the Constitution was so amended.

Income Defined.

"Income has been defined as 'that which is earned, remaining itself intact' (30 Hun. 177). The amendment has made a clear distinction between income and its source. All incomes of the future, whether from services, business or investments, are to be taxed. Unpaid compensation for work done before the amendment would be an investment 'source' of 'income,' if it draw interest after the amendment, but it is not 'income' liable for tax under the amendment.

"The purpose of the amendment demonstrates that it does not authorize taxes on incomes earned before the amendment. Before the amendment incomes could not be so taxed. The amendment was adopted so as to authorize in the future what the Constitution did not permit. The amendment wrought a clear, substantive change. It draws a line between the past and the future. Before that line incomes are tax free. After that line incomes from all sources are taxed. The then capital becomes a source of income. Its accretions are income. Accretions to unpaid compensation, like interest, are income, but the unpaid compensation is capital, not income. Debts due for compensation for services rendered before the amendment are, like other debts, capital. Payment of such debts after the amendment cannot be denominated income.

The Sixteenth Amendment.

"From these views it follows that the sixteenth amendment does not authorize taxation of incomes earned before the amendment took effect.

"It is important to consider that sixteenth amendment and its purpose before construing the income tax law, for the law is not free from ambiguity.

"It may, however, readily be construed in harmony with the view that incomes earned before the amendment and before the law are not to be taxed.

"The first declaration in the law is that there shall be levied and paid annually 'upon the entire net income arising or accruing from all sources in the preceding calendar year to every citizen * * * a tax of one percentum per annum upon such income.'

"If, as heretofore suggested, this law is within the constitutional prohibition against *ex post facto* laws, it could not be extended to past income, even though its language so declared.

"But it does not specifically so declare. It does not specifically provide a tax on incomes earned or that have arisen

or accrued prior to the enactment of the law. As heretofore stated, retroactive operation will not be given by construction so as to subject to a tax interests acquired prior to the enactment. To be given retroactive effect, a law must clearly so provide.

"Another rule which prevails in construing revenue laws of the United States is that they must be construed strictly against the Government and in favor of the taxpayer, and that no person and no property is to be included within their scope unless explicitly placed there by the clear language of the statute. In every case of doubt, such statutes are construed most strongly against the Government and in favor of the subjects or citizens, because burdens are not to be imposed beyond what the statute expressly and clearly imports.

"This first general provision in the income tax law refers to income arising or accruing from sources in the preceding calendar year. The words 'in the preceding calendar year' apparently modify the words 'arising or accruing' and the word 'sources.' Therefore, the ordinary meaning of the clause would be that the income must arise or accrue in the preceding year and from a source in the preceding year. This construction excludes incomes whose sources are services rendered prior to the preceding year. It would exclude earnings of previous years.

A Prospective Statute.

"That statute in language and in general tenor is prospective in its provisions. It contains no provision expressly making it retroactive. It contains no provisions which imply that it is intended to be retroactive. Like the sixteenth amendment which authorizes it, the statute is designed to tax the incomes of the future—not the incomes of the past. Therefore, incomes are not taxed. They could not be so taxed under the Constitution. Thereafter, incomes are to be taxed as the amendment authorizes. The line is drawn at the threshold of the new taxation scheme. All prior accumulations are capital, and capital is not taxed by this law. Thereafter, all income, gains or profits, beyond the exemptions, are to be taxed. Income from the accumulated capital will be taxed. If that capital consists in part of debts due for services theretofore rendered, or debts due for profits of business theretofore transacted, the income from that capital will be taxed. Income from business thereafter transacted and income from services thereafter rendered will be taxed. But payments thereafter on debts for services theretofore rendered, or gains or profits in business, or trades theretofore conducted, are not incomes arising or accruing from sources in the preceding year, within the meaning of the statute.

"I have given much consideration to the meaning of the words 'arising,' 'accruing,' 'derived' and 'paid,' and of the word 'income,' to the language of former income tax statutes and the corporation tax statute, and to omission of some of these words in other statutes. I have also carefully considered Paragraph B of this statute, which attempts to further define 'income' 'in whatever form paid.' And there are many other provisions of this statute which must necessarily be studied.

Difficult Questions.

"Very serious and difficult questions arise in considering whether income earned in any year after this law was enacted, but not actually paid until a subsequent year, shall be reported as income for the year it was earned or for the year it was paid. Upon such a state of facts the real significance of the words 'arising,' 'accruing,' etc., becomes very important. If the source of the income is labor, but the income is not paid within the year, but is evidenced by a promissory note or by an account, it may be said that the income under the statutory language 'in whatever form paid' has been paid by the note or account. It may be said that the income has arisen or accrued because the debt for the services has arisen or accrued. On the contrary, there is authority for the view that the income has not arisen or accrued and is not 'income' within the meaning of the law until it 'has come in' or until it has been paid in cash or its

acknowledged equivalent. Under such construction the earnings of any given year would not be reported unless paid in that year. Such state of facts and construction of the law would permit tax dodging by not paying the tax in the year when the income is earned, because the income is not paid in that year, and not paying in the year when the income is paid because it was not earned in that year.

"I assume that the courts will place a construction on this law that will not allow any such tax dodging, but will exact the tax on all incomes earned, arising and accruing after the Constitution was amended and the law was enacted. This may be by requiring annual returns on a revenue basis or on a cash basis. The statute may be susceptible of either application. If the revenue basis is adopted, then all good debts and accounts for income, gains and profits should be returned. If accounts considered good turn out bad, they can be charged off as losses in succeeding year. If accounts considered bad turn out good, they can be entered as profits in succeeding years. If the cash basis is established, then "income" will mean all income paid, although the source may have been in a year prior to the payment.

Owner of Contractual Rights.

"The question you present is, in my judgment, not involved in any such efforts at practical construction to aid in accomplishing the purpose of this statute. The renewal commissions were completely earned before the Constitution was amended and this law was passed. They were chosen in action belonging to you. They constituted part of your capital, property and estate when this law became effective. The fact that their payment to you is contingent on the premiums being paid to the insurance company does not affect the question. You were and are the owner of the contractual right to the commissions, the same as you would be the owner of an unconditional promissory note if given and held for your services. Any such promissory notes and all other property representing the accumulations and income of former years constituted your capital, property and estate at the time this law was passed. This constitutional amendment and this law are not intended to and do not tax the accumulations of income before the amendment and law became effective. Therefore, the commissions earned before that time, but paid since, are not to be returned for taxation."

The Big Ben Binder

Price \$5.00



You May Have One For
\$1.00

LIFE INSURANCE—THE FOUNDATION OF INDIVIDUAL RIGHTEOUSNESS.

A Profession Which Seeks to Move Mankind Out of the Infancy of Impulse to the Maturity of Foresight.

By Rabbi Max Heller, New Orleans, La.

This is an address which Rabbi Max Heller recently delivered before the Louisiana association. If you are an agent obsessed with a small opinion of your mission; if Life Insurance merely spells Commissions to you, make an earnest effort to see things from Rabbi Heller's viewpoint. Have a SPIRITUAL BRACER with us.—Editor's Note.

The feeling often comes to me that, with the complications of modern life, the sphere of the pulpit has broadened immeasurably, the subjects have multiplied, a braver and more tactful treatment is called for; yet conservative as we guardians of the holy fire must naturally be, we are as yet far from having grown up to the new demands of the wider life. I will not take up your time with any attempt to enumerate all these perplexing and in their present forms virtually new problems of our industrial and commercial, our civic and social, our domestic and spiritual life; I prefer to plunge into the midst of my subject by confessing at once that time and again I have considered and weighed in my mind the propriety of devoting a sermon to the subject of life insurance.

Other subjects, of course, belonging properly to the higher realms of business, such as the ethics of financing and brokerage, the moralities of the real estate business, the benefits and the evils of corporations, the responsibilities of directors and administrators, have often appeared to me as properly coming within the purview of the pulpit, if only the minister could reach out for the intelligent mastery, the wide outlook and the discriminating judgment which might throw upon all of these the higher lights of humane benevolence and forward-looking justice; but out of all these higher commercial activities which have such boundless powers of ploughing deeply into human lives and human hearts, none has seemed to me to mean so much, not only to the primal elements of human happiness, but to the foundations of domestic peace and of individual righteousness as does the profession whose representatives I have the honor of addressing.

How little of information I have to offer you I am most deeply conscious; more than almost any other devotee of a business pursuit, the average life insurance agent must have the facts of his vocation at his fingers' ends. But in all higher work the knowledge of detail may blind us to comprehensive rules; and the minister has opportunities for entering into the intimacies of the home, into the privacies of the soul-life which teach him to appreciate the ultimate working out of things, and enable him to study the operation of business from the human side.

A Great Educational Agency.

There is one aspect particularly from which the work of the life underwriter appeals to me as one of the great educational agencies of our day. We speak of civilization as the great process by which the savage and the barbarian are lifted from the level of the brute to that of the self-governing, peace-loving, broadminded and charitable citizen. And especially we Americans who are believers in mechanisms and short-cuts, when we enumerate the agencies of civilization, we think of railroad and telegraph, of press and platform, of school and college. We are apt to forget that of all civilizing and humanizing agents the greatest is that of home-building and home-making. The habits and principles inculcated in the home, they lay the true foundation of citizenship and character; the

self-control, the strength of will, the discipline of living acquired in the home, they form the pith and marrow of whatever energy, trustworthiness and endurance may form the real assets of a people's strength.

If, by these lights, we are to test our own standing among the world's nations, we shall find ourselves, by universal agreement, afflicted with one characteristic foible, a wastefulness and an improvidence which seek their parallel among advanced people the world over. We are wasteful and improvident as a nation; we denude our forests, exhaust our soil, we largely waste our coal, gas and oil, our government, with few exceptions, is conducted by the most uneconomical of methods, wasteful in its building, in its publications, its franking privileges, its pension system and a thousand other hoary abuses that might be cited; we are, if possible, even more wasteful through corruption and mismanagement, in our State and municipal administrations; but we are most remarkably and unpardonably wasteful in the management of our domestic economies and our personal expenses.

No Hard and Fast Lines.

Perhaps this particular province of our private lives may not seem to be the one with which the minister has any professional concern. In a narrow view of the minister's sphere the spiritual welfare of humanity is his proper charge, the salvation of the soul may seem, to certain small minds, the one department of work which is reserved for him. But to the honest and thorough student of human soul-life there is no hard and fast line where the interests of the body and the welfare of the soul begins. Our bodies are the earthly homes of our souls, not their prisons, but their potential sanctuaries which we neglect at our peril. Our duties to our dear ones, to the wife of our plighted troth, to the hostages which we have given to fortune, are duties of the holiest and most responsible class, but are expressed in food and clothing, in dollars and cents. These duties call upon us to exercise self-control in our personal indulgences, to practise habits of economy, to provide for emergencies of non-employment, of sickness and of death.

"One Way Out."

Just how far the average American is living up to these duties we have no available statistics to give us exact figures; but does not the most limited experience, the most superficial observation show him the inferior of the unsophisticated immigrant in all or most of these respects? A friend, only lately, placed into my hands a book which has attracted a good deal of attention, "One Way Out," by William Carleton. This volume is not first in pointing out the hardships of the middle class under the present standards of living; but it claims to have found a way out, by asking the American to lay hold of the opportunities of this country with the immigrant's earnestness, to cast off the bondage of conventional obligations, to live within his income and to achieve independence out of his amassed savings. The watchword of this author is: Immigrate, in other words, assume the conquering attitude of the foreigner who is new to the country and bends his neck to the task of becoming a leader, without aspiring to any social recognition or standing before he has won out. To my mind the evil is present, but the remedy is impracticable. The clerk or bookkeeper cannot, except in the rarest instances, go back to the work of digging tunnels; he can and he must learn the cleanness of foresight and the strength of will to apportion his income between the indispensable needs of the present and the imperious demands of the future, if he has a future.

It is here that the spread of life insurance signifies an education in providingness, a deepening and rationalizing of family affections, the emancipation from humiliating charity, the growth of self-control and self-respect. These duties are solemn enough to be taught, again and again, in the Bible, whether it be by the example of a Joseph providing for famine during years of plenty or in com-

mending the ways of the ant to the sluggard or by praising him who casts forth his seed in the morning.

To large classes of our population the insurance agent is almost the only practical and forceful preacher of the duty of looking ahead. How many occupations there are, both commercial and professional, in which the workers earn comfortable incomes without ever seeming able to accumulate any appreciable amount of capital! The physician, the lawyer, the commercial traveler, with many other classes of large earners, tell us that they are forced to live up to their incomes, that the laying aside of anything for their old age is virtually impossible. To such people their neglect of duty comes home in the most shocking form when some friend of theirs, dying before his time, leaves his wife with perhaps a half-grown family in virtual destitution. I have seen such monuments of wrong in all their stages of suffering; and, on the other hand, as must be the experience of every minister, I have observed how keen an edge was taken from even the fiercest of sorrows and the saddest of bereavements when they were unaccompanied by the menacing specter of undeserved and often utterly helpless poverty.

Duty by Pressure.

When one sees, however, that despite all such lessons by far the largest number of people require outside pressure to perform this duty towards those who depend upon them, when one meets, in frequent instances, with parents and wives who, whether out of silly superstition, mawkish sentiment or childish improvidence, are not only indifferent to their plain interests, but who sometimes even interpose all sorts of obstacles in the path of so important a step, one can only realize how necessary it is for every factor of publicity to strengthen and deepen a healthy public opinion which will demand protection for the family, which will frown upon such remissness as a species of selfishness which from intelligent people is unpardonable.

Of late years there have been two movements in the insurance world which have made me, in common probably with many others of my profession, feel what a beneficent influence your sphere of activity is exercising on the education of the masses; I am referring on the one hand to what is called industrial insurance, and on the other hand to the effective manner in which some insurance companies have begun to look after the health of their clients. The agent of the industrial insurance company is, to my mind, a valuable teacher of the habit of saving, a habit in which especially our lower classes stand in great need of training; humble though his work may seem, wasted in many instances, the huge mass of it in the aggregate probably mounts to a schooling of the intelligence, a spurring of ambition, a bracing of self-constraint the value of which all over the Union is beyond all approximate calculation.

Health Campaigns.

Nor was a more enlightened measure ever resolved upon than the recent health campaign of some of the insurance companies. That vast corporations of that kind understand the value of health in dollars and cents, that they are willing to go to vast outlays for a protection which their contract does no call for, all this certainly constitutes a public lesson of eminent value to teach, at one and the same time, how much science can do to prolong life and how solidly and infallibly it pays the community in general to protect the health of the individual.

It is not easy for us to-day to realize how the world ever got along without the sheet-anchor of life insurance; we can hardly imagine how people managed in the early days when strong companies were liable to go by the board, much less how it was in still earlier days when the largest fortunes could be swept away, without anything left to fall back upon.

But surely the experience must be a common one which has imbued me with a strong sense of gratitude towards the

whole fraternity of underwriters, the experience of the happiest relief which a young man has when, with burdens and obligations of many kinds, he has felt rather doubtful as to his chance of passing medical tests, and when at last he is told that he will be permitted to protect his dear ones from the danger of sudden want by interposing the mighty arm of a strong corporation between them and that danger. How much sweeter sleep becomes under that happy sense of security.

Far be it from me for one moment to exaggerate the power and the worth of money; there is too much bending of the knee before Mammon for any lover of his kind to add voice to the deafening din; but there is, right by the side of our groveling before wealth and its trappings, a great deal of reckless disregard of the serious obligations which material life entails, a great deal of childish living in the moment and of the moment, which, in the enjoyment of the present hour, forgets the uplifted finger of the uncertain future. "Let us eat and drink, for to-morrow we die," that is the unconscious philosophy of a great deal of happy-go-lucky living, of the genial moral indolence that ever waves all serious reflection aside as if it were a mere ghostly intruder at the festive banquets of life. "Let us enjoy with moderation, let us be calmly ready for the emergency, for any day may be our last," that is the ripened philosophy of the soldier of duty; to be one of the forces that move mankind out of the infancy of mere impulse to the maturity of foresight cannot but lend to your profession a dignity of its own among the most eminent factors that make for the uplift of humanity.

OFFICIAL NOTICE.

TO THE SECRETARIES OF LOCAL ASSOCIATIONS:

Your attention is called to Section VI of the Constitution of the National Association, which reads as follows:

"Each local association shall each year, immediately after its annual meeting and again within thirty days after June 1st, send to the secretary a correct roll of its officers and members on said dates, specifying their mail addresses, the companies they represent and in what capacity. Each association seeking admission shall furnish such roll with its application."

As the Executive Committee is anxious to obtain statistics as to the number of members which have been admitted to local associations as non-resident members, in accordance with an amendment to the Constitution at the Atlantic City Convention, please indicate the number of members of your association included in this class when making your returns to this office.

Yours very truly,

EVERETT M. ENSIGN,

Corresponding Secretary.

GEORGE M. WRIGHT, MAYOR OF WORCESTER, MASS., EMPHATICALLY ENDORSES LIFE INSURANCE.

A Practical Enumeration of a Few of the Reasons for Business Insurance as a Means of Perpetuating Prosperous Firms or Corporations.

Mayor Wright delivered this address before a convention of agents of the Mutual Benefit, at Worcester. The mayor is president and general manager of the Wright Wire Co., which is one of the largest wire plants in the country. There are many agents who find that some particular class of prospects always play the game of "follow the leader." Therefore, this is a good article to show to some difficult prospect for corporation insurance.—Editor's Note.

Your toastmaster and I have known each other since early youth. We were schoolmates in our native town and grew up together as boys, but in early manhood were separated for some 15 years by reason of our different callings. Later it was a pleasure to both of us that circumstances brought us together again in this good old city of Worcester.

About 15 years ago Mr. MacGowan began his work of creating my enthusiasm for personal life insurance, and I became a thorough believer in it. A few years ago he began talking about business life insurance. That was a new idea, and he found out that, notwithstanding we were natives of the same Worcester County town, in the Old Bay State, I had visited Missouri often enough to acquire the characteristic desire of the people of that State, "to be shown." He was after a time successful in convincing me that it was not only desirable, but almost necessary that a business man situated like myself should carry business insurance on his life. In consequence I was induced to call to the attention of our directors what I felt and still feel was a most desirable action. With their hearty approval \$100,000 of insurance was placed upon my life for the benefit of the Wright Wire Company, and the following year enough more insurance was added to bring the total amount to \$300,000.

Beginning Early.

Now I also carry a large amount of personal insurance for the benefit of my family, and I should like to say a few words about personal life insurance. I believe that a young man should begin taking life insurance as soon as he begins earning money, because he ought early to begin making provision for some return to others for all that has been done for him, and also because the taking of life insurance encourages thrift and the sense of obligation to others. By life insurance a man makes it possible for his good intentions to live after him, and he assures himself that his plans for mother, sisters, wife or children will, in a measure at least, be carried out should he die prematurely.

Every thoughtful man can call to mind pictures of anxious widows and helpless orphans whose numbers without the beneficent returns of life insurance would be a hundred-fold greater.

Insurance money is like a great bank account; it means comfort and competence where otherwise in thousands of cases there would be wretchedness and want. Better than all the theories of charitable men and women is the "spot cash" life insurance settlement in time of direst need. Personal life insurance for one's family has long been recognized as an economic necessity. Without it the whole social order would be affected most disastrously.

So much for my belief in personal life insurance. Now I have come to believe that there is as great, if not a greater, field of usefulness for life insurance in the business world.

There are many reasons why business insurance should be placed on the lives of partners in business, as well as the heads and leading spirits of large businesses and corporations, and I will undertake to enumerate a few of the most important of them as they appear to me.

Every thoughtful business man appreciates the importance of perpetuating any thriving business, and that its discontinuance or even temporary embarrassment is certain to inflict far-reaching injury upon many innocent persons. Therefore to-day we find many conservative concerns endeavoring to protect themselves and those interested in the enterprise against the possibility of crippling losses; and so they carry fire, employers' liability, burglary, credit, defalcation and other kinds of insurance. We are awakening to the tremendous importance of life insurance as one of the greatest safeguards to business assets and business permanency, a duty hitherto long neglected.

It is easy to recover from fire and burglary losses, but when the buiding energy, intelligence and possibly lifetime experience and business friendships are cut off in the death of perhaps one man the loss is great, indeed, and business life insurance *alone* furnishes indemnity for this kind of loss.

There are many ways by which the life of a concern is endangered by the death of a big man in it. He may be its inventive genius, or he may be its moneyed man, or the one who has represented the concern in its relations with the banks, or by training or natural ability he has been the inspiration of the selling force. The death of this man is quite likely to cripple the concern for a time. A goodly sum of life insurance money would tide things over until a new man can be found to fill the place.

Difficulty of Settlements.

In a partnership it often is a very difficult thing for the survivor to come to a reasonable settlement with the widow of the deceased partner, and many such concerns annually go out of business in consequence. Life insurance could be and ought to be employed to prevent just such disasters. Often the partner with the capital would best conserve the interests of his family by business insurance that guaranteed the return of the capital in case of his own death.

There are often several men in a large concern the death of any one of whom would entail far greater loss upon the business than any fire or casualty, for the latter are pretty well covered by insurance. Also these losses may never occur. Death sooner or later is *certain*. I believe the time will come when every conservative business will carry life insurance on its leading men, payable to the concern.

When business life insurance was first called to my attention it did not appeal to me. Why should we pay our large sums of money yearly for such insurance? Later I came to a proper appreciation of the matter. I was giving the best of my life to building up the business, not for myself alone, but for my family and those associated with me. It was a matter of deep concern to me that the structure I had labored hard to erect should not be weakened should I be taken away. It was a matter of concern to me that the stock held by my family and friends and by those who had bought it because of good faith in me and the company should continue to yield them as good returns even if I was not here to watch over the company's affairs.

Interim Often Fatal.

I have always felt that no matter how good a man is, given time, you can find another to take his place. But in the interim a company is likely to suffer loss in one way or another, and money is needed to tide it over this period of experimentation. In our case we have reason to feel that our business life insurance has given increased confidence to our stockholders. Our banks from coast to coast are kept informed that the company carries \$300,000 of life insurance on its president and general manager, and although our credit has been excellent, it has been increased because of the business life insurance we carry. A great mercantile agency has stated that the taking of business insurance strengthens the credit of the firms taking it, and that the increased confidence it establishes is recognized in the mercantile community and thus reflected through their mercantile reports.

The commercial warfare for business success in mercantile and manufacturing fields has become so fierce and competition is so close that it is only by transacting a large volume

of business at small profits that any degree of success may be attained. As a result of this condition the credit system is more extended to-day than ever before. In fact, a bank has no goods to sell but the use of money. Most enterprises are being carried by the aid of large credits, at least for a portion of each year. This credit is generally extended on the basis of personal confidence in someone connected with the corporation, and banks are more and more asking and, I believe, some day will require, as a general rule, business life insurance to protect them in case of the death of the member with whom they deal or the guiding genius or employes upon whose business or technical skill and experience the success of that particular enterprise depends.

I would be glad to see my enthusiasm for this form of business protection—commercial life insurance—become so contagious that you would be all busy writing it. It would mean fewer business failures with their attendant hardships and discouragement, and, by making prosperity permanent, would greatly increase the sum total of human happiness.

GIVE 'EM MORE GAS.

By Robert J. Mix, Manager Prudential Insurance Co., New York City.

You're spinning along over a nice bit of country road—everything's going smoothly and your car's working fine—till you come to the foot of a long hill! Now, what are you going to do? Leave things just as they are and let her wheeze and pant and struggle and finally give out before she gets to the top? No, sir—nothing of the sort; you're going to give 'er more gas—that's what you're going to do—and, when you give her the gas she's going to take that hill like a breeze! You can't take the hill away and you can't go through it—the only way to do is to get over it somehow, wherefore you "give 'er the gas" and over she goes!

'Pears like some of you good fellows have come to a hill, and there's just one thing in this world (and *only one*) for you to do—*clap on more power—"give 'er more gas!"*

It has been reported to me that in certain commercial lines business conditions are temporarily unsatisfactory, but I'm going to be hard-hearted enough to say that I don't think that that fact is a sufficient excuse for the failure of any *earnest, determined* agent to do a good, fair volume of business during these coming months. There are several millions of people within a radius of five miles from my desk, and *no man* can make me believe that among all these millions, the *active, ambitious, hustling agent can't find plenty of prospects whether "general business conditions" are good or otherwise!* Moreover, there are a great many professional men, salaried people and men engaged in certain lines of business who are just as prosperous as ever they were—making lots of money. Find out who they are and get after them—*specialize* on them if necessary!

It may be that heretofore you've found it practicable to write a fair business by interviewing an average of a half-dozen people a day, but perhaps you're now finding that your daily half-dozen calls aren't producing enough business for you. Very well, then, you'll simply have to see a *dozen or more* people a day—you'll have to *give 'em more gas!* Aren't you willing to do that? If you're not, then I can't see what's going to happen to you during these coming months—it looks as though you'd lie there at the foot of the hill till the cows come home!

The question with every one of you is *not* "shall I or shall I not do a good business for the balance of this year?" but "*how* am I going to do a good business for the balance of this year?" If you're right there at the foot of the hill, the problem is not "*am I going to get over it?*" but "*how* am I going to get over it?" for *over* it you *must* go, my brother! It's the old, old proposition that you have to face. The difficulty is there, the obstacle is in your path—very well—it *must not stay your progress—you must surmount it!*

For your own sake, I ask you to face the situation *with open eyes!* Let's not make excuses during these coming weeks but *play the man—play the man—and give 'er more gas!*

"THE GAME IS NEVER OVER UNTIL THE LAST PLAY IS MADE."

The Successful Life Insurance Agent a Player in One of the Greatest Games of Life—The Necessity of Great Attention to the Proper Use of "Side Lights."

By Hubert H. Ward, Manager Pacific Northwest, Pacific Mutual Life Insurance Co.

Mr. Ward's contribution this month is particularly interesting and replete with inspiration for the agent who needs encouragement. It is warranted to give a knock-out blow to the most stubborn case of the "blues."—Editor's Note.

The above quotation applies to life itself and it applies to almost everything pertaining to life. Life itself is a "game" and we are all "players" in that game. The more we understand the game the more proficient do we become as players, and with our increased knowledge of life does our increased proficiency in the play itself become demonstrated. I never like to look upon the business in which I am engaged as a mere something from which I am obliged to wrest dollars. It is interesting at times to philosophize on our work, to study the *side lights* as they play upon that work.

In illustration, how tame the average light opera, grand opera or spectacular play of any nature would be were it not for the assistance rendered the setting of the play by the use of the calcium lights. Probably no profession or business has made as great improvements in its manner of presentation as has the profession of theatricals since the days of Shakespeare, when his players were first presented in a barn and with none of the accessories furnished by the modern stage setting.

The world itself is a stage and we are the players and our acting is good, bad or indifferent, according to the way in which we master our subject and in which we make use of the mechanical devices of the "side-lights" furnished us by others.

Player in a Great Game.

The successful life insurance salesman is a player in one of the greatest games of life. In order that he may make his play a success he must pay great attention to the proper use of the "side-lights," not only the "side-lights" appertaining to the life insurance business but those appertaining to human nature itself. Human nature is a peculiar and elusive proposition. Like capital, it is timid. It must be coaxed, attracted, and having been won it must be treated right to be retained.

Your prospect is like the brook trout. You must angle for him. You must have the right fly and you must have the sinker of such a weight as will put that fly before the nose of your fish. Having got your prospect on the line by the use of the proper accessories which are furnished you by others it is then necessary for you to begin a series of intelligent maneuvering to keep that prospect on the line. You must know when to reel the line in and the most delicate part of the whole operation is the psychological moment when you undertake to transfer your prospect from the water in which he has been disporting himself to the basket in which you would place him.

Every life insurance salesman is in a sense a fisherman, and I sometimes think that one of the helpful side-lights for the life insurance salesman would be the reading of Sir Isaac Walton's book called "The Complete Angler."

Look upon your work as a game, a something in which you will take pride in accomplishing that for which you set out, from the standpoint of winning the game as well as from the standpoint of winning dollars which go with the game.

The average fisherman gives the day to his favorite sport not primarily for the number of fish which he may bring home, but for the pleasure of the sport and for the healthful exercise which he derives from it. You, as a life insurance salesman, should derive your real pleasure from the *knowledge* that you have furnished *protection* against the storms of life to the dependent ones of the prospect whom you have written for life insurance. If you, as a life insurance salesman, can early acquire this mental attitude toward your business you will find that the material returns, which are so necessary for all of us engaged in the game of life, will come as logical sequence, and frequently those material returns will come in a larger and more rapid manner by making the *thought of the material side* secondary in your mind to the *thought of the beneficial side* of your work.

The quotation which heads this letter was given to me by a friend of mine who used it not long ago as a telegram to certain business associates who expected him to meet with defeat in a certain business matter in which they were engaged, where the "odds" seemed to be against him, but he won—he won by surmounting the odds which were against him, and he also won because the proposition had merit. His desire to win would not of itself have enabled him to win had it not been for the fact that his proposition had merit. It was necessary that the *two* should be in combination, *his own desire to win* and the *merit of his proposition*.

The Desire to Win.

This is true in life insurance. Your proposition may be exceedingly meritorious, but you as a life insurance salesman will never get anywhere with it, no matter how meritorious it may be, unless you may have within you the *desire to win*. On the other hand we occasionally find a life insurance salesman who has the desire to win but who is attempting to represent a proposition or a company which is not meritorious. We also find the life insurance salesman with the *desire to win* lacking in a *knowledge* of the business sufficient to enable him to put that desire into execution. This business of yours and of mine is one of "Brains versus Brains," and in any undertaking involving "Brains versus Brains" do not lose sight of the fact, Mr. Agent, that "the game is never over until the last play is made."

If you are discouraged, if you are down-hearted, if you feel dumpy, shake off the trouble, no matter what that trouble may be. First fill yourself with the *desire to win*, and then having filled yourself with that desire, get into the game with a *whole soul*. *Play the game as it should be played* and never lose sight of the fact that "the game is never over until the last play is made."

The Golden Rule.

There is no business which demands a higher ethical standard than that of life insurance. There is no business where sterling worth and character count more. A man talks with his family physician, in whom he reposes all confidence, about the welfare of his dear ones; he confides to his attorney the matter of his estate. Is it not for the life insurance salesman to win such a place in the community that his advice will be sought by those who would make provision for their families.

A striking feature of our association is the large number of young men who belong to it. The spirit of brotherly love and co-operation has helped to make this the best day for our business the world has seen. If the standards of the business are higher than they were ten years ago they may be elevated higher still. I believe that all will agree that if this is done it must be done largely by the young men.

Life insurance is the embodiment of an ideal. It expresses the forethought and love of the dead for those whom they leave behind. Is it not true that a business which is an expression of man's noblest and best impulses should be conducted in a manner to represent the highest ideal of co-operation and brotherhood?—Arthur E. Bridgen.

ASSOCIATION OF LIFE INSURANCE PRESIDENTS COMPILE STATISTICS ON POLICY LOANS.

\$456,000,000 Represents the Amount of Policy Loans and Premium Notes Outstanding to Policyholders at the Close of 1911.

In an endeavor to ascertain the causes of the rapid increase in the mortgaging of life insurance policies in recent years, the Association of Life Insurance Presidents has segregated by State lines \$456,000,000 policy loans and premium notes outstanding to policyholders at the end of 1911. This investigation, which has just been finished, shows that the policyholders of certain recognized groups of States are much larger borrowers on their life insurance than are the people of other sections. Those credited with being the smallest borrowers are the people of the Central Northern States, the loans in that section amounting to 13.49 per cent. of the reserves estimated for that district. It is stated that the largest borrowers are the people of the Pacific Coast section, the policy loans and notes there being 20.09 per cent. of the reserves. The average for the United States for the same year, 1911, was 15.98 per cent. The reserves from which this sum of \$456,000,000 was borrowed amounted to \$2,853,000,000. These figures and percentages are based on the United States business of American companies holding 93 per cent. of the total assets of the life insurance companies of this country in 1911.

The investigation also included the segregation by States of policy loans and premium notes outstanding in 1907, held by fourteen companies having two-thirds of the assets of the United States life insurance companies that year. As these same 14 companies were included among the 39 reporting in 1911, the association is enabled also to present comparative figures showing the policy loan development by States and by sections of the country for the period from 1907 to 1911 on two-thirds of the business.

The per cent. of increase of the 1911 ratio of policy loans and premium notes to reserves over the 1907 ratio for such loans and notes to reserves varies from 10.74 in the New England States to 37.93 in the Southwestern States for the two-thirds of the business indicated.

The results of this investigation and also data showing the annual growth of policy loans from their inception are contained in a report submitted by Robert Lynn Cox, general counsel and manager of the association. This report appears as an appendix to the proceedings of the seventh annual meeting of the association, which have just been issued.

In compiling this geographical distribution of policy loans, the association had recourse to the general investment statistics previously contributed to it on two occasions by a large number of companies in connection with meeting the arguments of supporters of legislation to compel local investments by life insurance companies equalling 75 per cent. of their reserves in different States. These two sets of original statistics grouped policy loans and premium notes by States, as they did all the other classes of investments held by the companies. It, therefore, was possible to utilize fully, in the investigation just closed, all the figures as to loans and notes.

Much more than half a billion dollars of life insurance protection will be lost to widows, orphans and other beneficiaries as a result of the policy loans now outstanding, according to the report. It is declared that experience shows that a large proportion of the insurance protection withdrawn by policy loans is never replaced, the money being invested elsewhere or wasted.

In making the report public, Mr. Cox says that no conclusions are stated in it. "The figures, which speak for themselves as to the extent and distribution of the policy loan practise, are presented to the American public," he said, "in the hope of stimulating a study of the underlying reasons for the recent large expansion in such loans and the presentation of remedies therefor."

SPECIAL COURSE OF LECTURES AT THE UNIVERSITY OF PITTSBURGH.

Pittsburgh Association Responsible for Excellent and Comprehensive Course of Study on Life Insurance Under the Direction of Prof.

Ira G. Flocken, M.A.

That life insurance is a subject of intense interest, that it may be discussed in a broad and practical way, that, contrary to popular knowledge, or lack of knowledge of the subject, its mysteries can easily be explained will undoubtedly be realized by the students of the University of Pittsburgh and others who may attend the course of lectures recently arranged by the Pittsburgh association. This course is connected with the regular course of life insurance study in the evening school of economics and finance of the university. The course and the lectures are scheduled for the Monday evenings of the second semester, Feb. 2 to June 1, the lectures dating fortnightly from Feb. 16. Anyone, whether a regular student of the university or not, by paying a small fee, may take the entire course, which includes the study of Prof. Gephart's "Principles of Life Insurance" and the "Yale Readings in Life Insurance" under the direction of Ira G. Flocken, M.A.

The eight lectures are free to the general public and form part of the country-wide educational and conservation movement started at the Atlantic City convention. The local committee, composed of Charles W. Scovel, former president of the national body; Thomas S. Pomeroy, of the New England Mutual, and Chauncey O'Neill, of the National Life of Vermont, has arranged for these practical talks to be given by the association's strongest men, as follows:

UNIVERSITY OF PITTSBURGH.

**Evening School of Economics, Accounts and Finance.
Second Semester (1914) Mondays, 7:45 P. M.**

LIFE INSURANCE COURSE.

Under Prof. Ira G. Flocken, M.A.

With Lectures under Auspices of Pittsburgh Life Underwriters' Association.

Feb. 2—Registration and Introduction.

Feb. 9—History of Life Insurance.

Feb. 16—Lecture: "Life Insurance, the Institution," Edward A. Woods, manager, Equitable Life.

(1) What It Is, and Whose.

(2) Its Services to the Community (a) Economic; (b) Social.

(3) State Operation, Regulation, Taxation.

Feb. 23—Mortality Tables.

Mar. 2—Lecture: "Services for the Family, or the State," Charles W. Scovel, associate general agent, Northwestern Mutual Life.

(1) Lump Sums at Death: (a) Burial, etc.; (b) Liquidation of Estate.

(2) Incomes for Years, or Single Life.

(3) Incomes for Successive Lives, with principal at End.

Mar. 9—Theory of Life Insurance.

Mar. 16—Lecture: "Services for Old Age; for the Business," Graham C. Wells, manager, Provident Life and Trust.

(1) Old Age Incomes and Endowments.

(2) Partnership, Corporation and Group Insurance.

Mar. 23—Premiums.

Mar. 30—Lecture: "The Policy Contract," Frank L. Sage, general agent, Mutual Benefit Life.

(1) Common Clauses (Beneficiary, Loan, etc.).

(2) Special Provisions (Use of Dividends, Total Disability, etc.).

(3) Kinds, and Their Uses.

Apr. 6—Premiums.

Apr. 13—Lecture: "Organization and Administration,"
Edward O'Neil, general agent, National Life
of Vermont.
(1) The Company and Its Departments.
(2) Investments.

Apr. 20—Reserve.

Apr. 27—Lecture: "Medical Services of Life Insurance,"
Dr. H. A. Baker, medical director, Pittsburgh
Life and Trust.
(1) Selection, Standard and Sub-Standard.
(2) Mortality Studies, Vital Statistics.
(3) Conservation of Health.

May 4—Relation of State and Life Insurance.

May 11—Lecture: "The Field and the Agent," Ernest J.
Clark, president, National Association of Life
Underwriters, Baltimore.
(1) Possibilities of the Field.
(2) Increasing Responsibilities of the Agent.
(3) Demand for College Men.

May 18—Compulsory Insurance.

May 25—Lecture: "Permanence of Life Insurance," H. D.
W. English, general agent, Berkshire Life.
(1) Inherent Stability.
(2) Safeguards.
(3) Future Trends.

JUNE 1—Examinations.

New Association at Atlantic City.

As one of the direct results of the Atlantic City convention, it now seems quite probable that a local association will be organized at that place. A number of local insurance men met recently in the office of William C. Walker & Son, local managers for the Fidelity Mutual, and discussed matters relative to the general good of the profession. It was decided to employ an attorney to draft a proposed amendment to the insurance laws of New Jersey to prevent twisting. Those present at the meeting in question were: Howard R. Cloud, Penn Mutual Life; William C. Walker, Fidelity Mutual; Ralph H. Bogle, New York Life; Granville H. Steelman, Jr., Massachusetts Mutual; Edward A. Wilson, Mutual Life of New York, and J. A. Vance, Prudential.

Why a Man Should Insure.

A man's wife is dependent upon him for support. Support means money. Few men save much; they are in danger of losing what they do save, which if followed by an early death leaves no estate for the wife's support.

A few dollars a year paid now for life insurance means several thousand dollars when it is most needed.

Children need support, money, shelter, food and clothing, as well as the wife, but children need more—an education—one that takes years and much money to get; the education they would get if their father lived. Insurance of a sufficient amount will assure the wife and children all the necessities of life, and some of the luxuries and an education.

A man's first creditors are his wife and children, next his father and mother. Business, however, does not recognize love and devotion, but demands dollars for dollars. A man should insure heavily enough to:

Pay off all debts, taxes and mortgages, and have enough left to

Support his wife for life and his children to maturity.

No man need do more than that—but none can do less and die with his face to the light. No man dies twice; if he could he would be heavily insured the second time. The poorer a man may be, the greater the need of insurance. The rich man needs insurance to protect his estate. It's not man's fault if he dies. It is man's fault if he dies and his death means a loss to those who trusted him and a burden for his friends to bear.—*Travelers' Bulletin*.

REPAYMENT OF POLICY LOANS.

The Difficulty of Dealing With Policyholders Who Are Indifferent, Speculative or Unfortunate.

By O. W. Carpenter, General Agent, Union Central Life Insurance Co.,
Cleveland, O.

It may be assumed that inasmuch as policy loans are a matter of policy contract by reason of the public demand, both by competition and legislation, that a company is safely guarded by the limits of the reserve, the surrender charge and the security of the policy itself, with the result that, in the event of lapse, there is safety to the company, fairness to the withdrawing policyholder and no unusual hardship to the persistent policyholders. Nevertheless, there is loss to all interested parties under a lapsed policy, and the danger of a policy loan is that it becomes a deferred surrender, in which event the company almost invariably loses a healthy policyholder, the premium and interest income is surely lost to the company and consequently the agent's renewal fades away. Then, less selfishly, but even of greater importance is the extravagance of the policyholder, who, by lapse loses the very estate he for years has been trying to create. Nor does the loss end there, but increases when the applicant takes out another policy at an advanced rate. The policyholder always wastes when he lapses insurance.

There are certain circumstances under which loans should not be depreciated, such as loans on endowment policies approaching maturity, loans on policies yielding no income to the company or agent, such as paid out or paid in policies. There should be no objection to lending to the thrifty policyholder, or to the wealthy policyholder, for these classes ordinarily will maintain their interest and repay their loans.

Problems of Importance.

But we have in addition to these the shiftless policyholder, the indifferent policyholder, the speculative policyholder and the unfortunate policyholder—and the handling of these various classes constitutes our problem. The unfortunate man suffering from sickness, financial reverses or loss of position is justified in making a loan, and if he fails to keep up his interest, pay his premium and repay his loan, that is an additional misfortune, probably beyond his control, and, if so, certainly beyond ours. The shiftless man, the speculator and those who do not have a sacred regard for their insurance, form a class that is susceptible to proper efforts on our part.

When a policyholder comes into our offices and desires a loan we should endeavor to feel out the situation. By a little diplomacy we can ascertain whether it is necessary to make the loan, whether it is not possible to secure the money from some other source, gradually leading up to where we can point out to the policyholder that his policy is among the most sacred assets in his possession; that in making a loan against the policy he not only lessens the amount of insurance he is carrying, but that he is mortgaging the estate of his wife and children, and that it should be the last thing he should touch for his own benefit.

Of course, this will not often have a deterring influence, especially since the loan value has been one of the prominent factors guaranteed him in the sale of his policy, but seeds of higher appreciation have been sown and the applicant is then prepared for the next step consisting of the matter of details of the loan; that it is to his interest and to the interest of the company to have the policy unencumbered, and for the purpose of assisting him in the repayment of his mortgage, the company will accept his note for the full amount for a year, with the privilege of partial or full payments any time before that time, and that if there be any doubt of repayment within the year the company will extend to him the privilege of annual repayments extending over a period of five years.

And right here I desire to state that the Company made

a wise move for the repayment of policy loans when they changed the time of repayment from five years to one year, or partial payments extending over five years, but unless the agent impresses on the borrower the fact that he should lift the mortgage against his policy at his earliest opportunity, and that the Company expects him to meet these notes when due, the sole object aimed at by the Company in reducing the time of its loan notes, will be lost, and instead of having more *repayment* of loans, we will have more *renewals* of loan notes.

All agents, cashiers and general agents should regard a loan as an infringement on a sacred estate, the privilege to be exercised only under the direst necessity. They should plead for early repayment; urge this for the policyholder's benefit; and by similar suggestions should endeavor to change the mental attitude of the borrower. So that when the indifferent policyholder thinks of a loan on his policy as the first available asset in time of adversity, an educational and persuasive talk, such as I have briefly hinted at, would bring about a different mental regard for his policy, would revive the feelings which were engendered by the agent who sold him his first policy, would reclaim the reverence lost by disregard; in short, a higher appreciation of life insurance would be instilled, resulting in prompter payment of interest, more repayments of policy loans, and fewer lapsed policies.

THE VALUE OF SYSTEMATIC WORK.

The Best Plan Is One That Is Progressive, Showing Results at Its Various Steps and Not Dependent on a Sudden Burst of Speed.

By Charles J. Rockwell, Field Supervisor, the Edward A. Woods Agency, Pittsburgh, Pa.

Beyond a doubt every agent has determined that he will make his spring business the best of his career; and that he will put forth his best efforts to make it so. But just what plan of work he has settled on, if any, is not so clear to him. Determination is a necessary and quite important part of an agent's equipment for work; but alone it will not accomplish much. There must be a plan, carefully worked out, clearly understood, and followed absolutely.

The old idea of work hard to-day, and let to-morrow take care of itself, is gone, with other old and exploded ideas and notions. The salesman who succeeds to-day is following a definite plan of action laid down by himself or his manager. The doctrine of luck and chance is obsolete, and we have in its place to-day scientific methods and systematic work; and from these follow, as certainly as day follows the dawn, the golden harvest of better results secured more easily.

In other lines educated, systematic salesmanship has superseded the old order of unorganized, haphazard ways and methods; and if we would meet the merchants, manufacturers and big business men on an equal footing, we, too, must adopt the plan they have found so successful and systematize our work. Scientific salesmanship systematically applied will be generally recognized and adopted by employers of large numbers of salesmen within the next five years, because of the lessons being taught them by its successful application to-day; and we may say without hesitation that the men in our own profession whose achievements stand out before us in such dazzling glory, are the ones who have employed the highest degree of system in their work.

From the days of our childhood we have been taught that wishing for something will, alone, not bring it; we must do something to get it; and even a strong determination to achieve something is but a step beyond wishing for it, unless we go another step and adopt a definite plan of action, directly leading up to and having for its final and ultimate end the result we aim at. This must be a plan we *can* and

will follow. It must be possible, clearly conceived and not visionary. It must be a progressive plan, showing results at its various steps, and not dependent on a grand finale or sudden burst of speed to complete it. It must be a true system.

Such a plan would be for each agent to set for himself a certain volume of business to be secured during the remainder of this year. To divide it by the number of months remaining of the year to get his monthly quota; then by the number of weeks in each month. Then set out to produce that amount or more each and every week remaining of this year. *Can we do it?* Of course we can do it! Nothing is impossible that has ever been done. A steady and regular weekly production is not only possible, as shown by the records of many others, but it will soon under the new order of salesmanship become common. And from being common it is but one step to being compulsory.

But present methods, unless planned with the idea of steady production in mind, cannot be relied upon to accomplish it. It need hardly be said that to become a steady producer you must first be a steady worker. Not a little-work-to-day; none-at-all-to-morrow, and then a heart-breaking finish-the-day-following style of work will never do in the world. You must follow a plan of work calculated to bring the results you strive for. You must work *every day*, and do an equal amount of work every day; see a equal minimum number of people every day, and give an equal number of good earnest interviews every day. You need not fear that your work will become machine-like; it cannot do so; meeting so many different people will bring out different problems to be met, and keep your work sufficiently interesting. And even if it does become somewhat machine-like, but successful, is that not to be preferred to interesting, work-when-I-please-and-fail methods?

The Pacific Coast Membership Contest.

The officers of the National Association and members of the Executive Council have been greatly interested in the membership contest of the Pacific Coast associations. It will be recalled that William L. Hathway, Hubert H. Ward, John N. Russell, Jr., and W. D. Mead offered a trophy to be awarded on the basis of increased membership, the first period of the contest to consist of the months of November and December, 1913. C. I. D. Moore, secretary of the Pacific Mutual, was chairman of the committee of award, and has just announced that the Puget Sound association won the cup in the first period of the contest. This association will hold the trophy for the six months ending June 30. The following list indicates the increase in membership in the five Pacific Coast associations: Puget Sound, 94; San Francisco, 6; Portland, 3; Los Angeles, 60; Tacoma, 15.

You are not abreast with the times if you do not possess a copy of the proceedings of the

**ATLANTIC CITY
CONVENTION**

Just a few left at \$1.50 a copy

Life Association News

A MONTHLY JOURNAL DEVOTED TO THE INTERESTS OF ALL
LIFE INSURANCE AGENTS.

PUBLISHED BY THE
NATIONAL ASSOCIATION OF LIFE UNDERWRITERS

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ARTICLE II OF THE CONSTITUTION.

"The object of this association shall be to advance the best interests of the cause of true life insurance."

Address all communications to
EVERETT M. ENSIGN, Editor and Manager.

Telephone, 4244 John.

LIFE ASSOCIATION NEWS, 56 Pine Street, New York City.

This newspaper is owned by the National Association of Life Underwriters, unincorporated, a voluntary association; Ernest J. Clark, president, Calvert Bldg., Baltimore, Md.; Frank D. Buser, secretary, 704 Commonwealth Bldg., Philadelphia, Pa.; Hervey S. Dale, treasurer, 7 W. Madison St., Chicago, Ill.

SUBSCRIPTION PRICE \$1.00 A YEAR IN ADVANCE.

THE TAXATION MATTER.

Of all unjust impositions on the American public, the greatest is the taxation of Life Insurance funds beyond the amount necessary for efficient supervision by State authorities. There is no good argument to the contrary. The policyholders of legal reserve companies of this country—the land of the FREE and the home of the BRAVE—paid during the year 1912 approximately \$13,000,000 for the PRIVILEGE of being permitted to insure their lives so that their dependents would not in future years be a burden to the State.

The provident people of the United States of America—a nation born in a bitter struggle against TAXATION WITHOUT REPRESENTATION—are now legally compelled to submit to a form of taxation as indefensible as that which was foisted upon the Colonists. And it was the same old spirit of '76, always present in an American gathering, which engraved the archives of the National Association at the Atlantic City Convention, a mighty protest praying for relief from further exactions, which would increase this extortionate levy to the extent of possibly \$6,000,000.

All members of the National Association are familiar with the story of the results accomplished by the Atlantic City resolution, which called upon Conference Committee of the Senate and the House to strike from the Income section of the Tariff Bill that section which taxed the refunds to policyholders. This resolution, telegraphed to President Woodrow Wilson and to all members of the Conference Committee, supported by the personal work of Edward A. Woods, Lawrence C. Woods, Henry J. Powell, John Dolph, Ernest J. Clark and others not identified with the National Association, saved the policyholders in legal reserve companies over \$3,000,000.

When, at the Convention, the taxation matter was discussed, and afterward, when it became apparent that the resolution had effectively accomplished the purpose for which it was launched, rumors were heard that the National Association had overstepped its provinces, that it had to a marked degree usurped the field staked out for other agencies. Whatever the motives which gave birth to this view of the matter, it must be said that this resolution and the consequent activities of association members in its support, developed the greatest and most complete coup in the history of Life Insurance and legislation. Because this was the first spectacular demonstration of the power of the National Association is no reason to assert that it should not have been attempted. Indeed, it should not matter through what instrumentality the

THE PACIFIC MUTUAL LIFE INSURANCE COMPANY

offers advantages on the Pacific Coast to life insurance salesmen which we believe are not equaled by any other company operating on that Coast.

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Write us for information.

H. H. WARD, Manager Pacific Northwest

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"COME TO THE PACIFIC WITH WARD"

redress was secured. The only appropriate action from all sources should be congratulations.

This much should also be said: there is nothing in the constitution of the National Body to limit or confine its field of endeavor. Much to the contrary, there is an illimitable latitude of purpose expressed in its object, which is, "To advance the best interests of the cause of true Life Insurance." Thus with nothing to prohibit, with all to encourage, the action contemplated became a duty—a duty to the organization, to Life Insurance as an institution, and, perhaps greater than all, a duty to 25,000,000 policyholders.

The 20th Century has set a terrific pace and this is now almost ancient history, but truly magnificent as were these results, we are still face to face with the fact that legal reserve Life Insurance is taxed approximately \$13,000,000, and every cent of this enormous sum eventually comes out of the pockets of men who voluntarily assume an obligation to save money for the State. Considering the statistics of the year 1912, we find that the total premium income for that year was \$666,000,000. Therefore, for every \$1,000 of capital which the policyholders paid in that year, the State appropriated about \$20.

The problem is not one which will be ameliorated by passive inaction. The situation demands aggressive resistance against greater injustices and makes imperative concerted agitation for a readjustment of taxation to a sound and just economic plane, which level will be found when taxation ceases to be, as John Stuart Mill says, "A direct discouragement to prudence and forethought."

It was not a spirit of fatuous elation over its success in securing a modification of the Income Tax Section of the Tariff Bill, as related to refunds, which caused the National Association through its Committee on Taxation to assume the further responsibility of awakening public sentiment against the standing burden of \$13,000,000. The organization could not escape a duty to which it was pledged by its constitution, and then again its membership permitted of opportunities which could not be found in any other body of Life Insurance men.

National Vice-President Edward A. Woods, who is also chairman of the Committee on Taxation, has repeatedly called attention to the facts that the National Association is the only body representing to 25,000,000 policyholders, all of the companies in all sections. As a concrete example of possibilities in spreading the

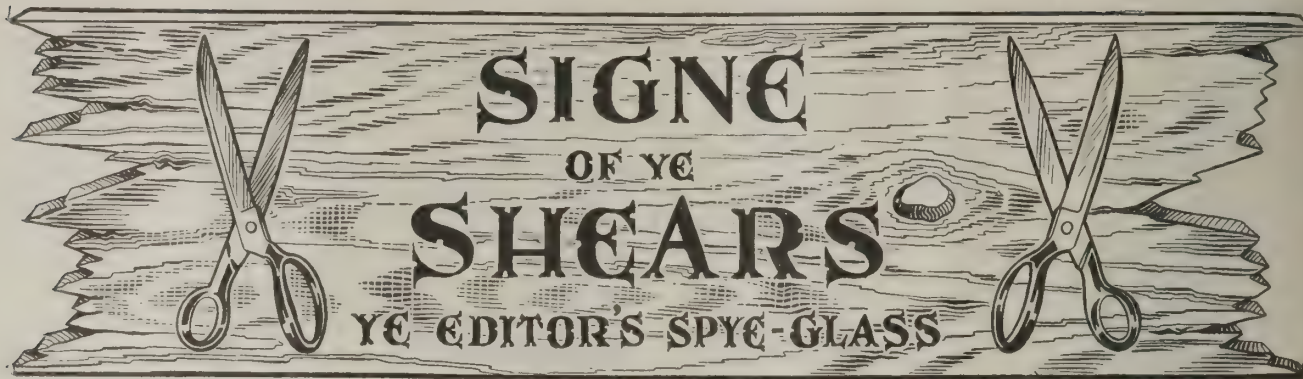
propaganda, Mr. Woods recently said: "Suppose 100,000 agents had a five minutes' talk once a day for two hundred days a year—that would mean 20,000,000 people reached in one year." This is by no means an exaggeration of what could be done through the National Association.

What would be the influence of the opinions of 25,000,000 tax-enlightened policyholders on legislators, whether State or National? William H. Hotchkiss said at the 1911 Convention of the National Association, at which time he was Superintendent of Insurance of the State of New York, that the agents should make insurance legislation their business, "not for selfish reasons, but for the common good." To quote further: "In no kind of law-making does the average legislator more need reliable advice than in this specialty. . . . Who is the natural spokesman of the policyholder? Not the company, but the agent. Why may he not, as the spokesman of both—yes, of the public itself—guide the departments and legislators, toward laws that shall always be broad and fair?"

On the second day of this month, before the St. Paul Association, Senator James D. Denegre, chairman of the Insurance Committee of the last session of the Minnesota Legislature, delivered an address in which he gave utterance to certain statements which support and vindicate the theories of the Committee on Taxation. Senator Denegre said in part:

"Now a word with reference to the attitude of insurance towards legislation. There is too strong a tendency to denounce our lawmakers for the existence and growth of this tax. The leaders in life insurance are too prone to criticize and ridicule members of the Legislature and charge them with being unscrupulous and looting trust funds. The members of our Legislature represent the average intelligence and intellect of the community. Most of them are insured and anxious to protect the rights of policyholders and of companies. Create among the buyers of insurance a sentiment for lower tax rates. Organize your policyholders so as to create through them this sentiment. It will then soon be reflected in our legislative halls. Leave out the antagonism and criticism and get together on what is fair and right."

This is a remarkably strong endorsement and justification of the policy of the National Association in assuming a task of tremendous importance; a complete and authoritative corroboration of the effectiveness of the campaign mapped out by the Committee on Taxation. And the germ thought is: **CREATE AMONG BUYERS OF INSURANCE A SENTIMENT FOR LOWER TAX RATES. IT WILL THEN SOON BE REFLECTED IN OUR LEGISLATIVE HALLS.**



Educating the Beneficiary.

Samuel B. Love, manager of the Mutual Life of New York at Richmond, Va., is of Scotch-Irish descent. When ever we think of him—and we do quite often—that old “gag” comes to mind, to wit: “Pat, where did you’re ancestors spring from?” “Begorry, they sprang from no one; they sprang at them.”

Samuel B. Love never dodges opportunities; he springs at them. He was largely responsible in landing the Memphis convention for that city, and when he removed to Richmond he immediately started in to secure the convention for Richmond.

Therefore it was with great pleasure that we read in the *Evening Journal* (Richmond, Va.) that Mr. Love delivered a lecture before the Women’s Club of Ashland on “Life Insurance as Related to Women.” We were also informed that at the close of the address Mr. Love invited the ladies to ask questions relative to the subject.

Mr. Love should be, and hereby is, enthusiastically and unanimously congratulated. To express the matter succinctly, though inelegantly, Sam has the right “dope.” We know of nothing more practical, nothing more truly beneficent, nothing more influential for lasting good to the service of life insurance than the education of Woman as to what life insurance really means to her.

Forbes Lindsay, associate manager of the home office agency of the Pacific Mutual, discusses this subject in the semi-annual policyholders’ number of the *Pacific Mutual News*. Mr. Lindsay’s deductions are much too important to escape general attention, so the article follows:

In view of the fact that the National Association of Life Underwriters is inaugurating a system for educating the general public in matters relating to life insurance, this would seem to be a peculiarly fitting time to advance the suggestion that a distinct need exists for the education of those who are or who may become beneficiaries under life insurance policies and the recipients of indemnity derived from them. Such education should have for its aim three specific purposes: 1. To inculcate an appreciation of the values of life insurance protection. 2. To instill careful ideas and encourage the preservation of the policy. 3. To teach the necessity of economical and prudent disposition of its proceeds.

If the active influence of women should be generally exerted in favor of life insurance, the greatest potential factor for its development would be brought into play. At present the prevalent attitude of women toward this, a matter of most vital concern to them, is that of indifference or antagonism. This attitude is, without doubt, largely due to ignorance. We know the prejudices, misapprehensions and selfish motives which prompt women to oppose life insurance. It is within our power to reduce or eradicate these adverse influences by a system of direct education.

The literature of life insurance companies is practically all addressed to the prospective policyholder. Why not address some of it to the prospective beneficiary? Can we not impress the wife with a realization of the

husband’s duty to protect her adequately with life insurance? Can we not induce the mother to insist upon the proper protection of her children by the father? It would seem probable that these objects might be attained by directing toward women similar agencies to those employed in the education of men.

How much insurance might be saved from lapse if the interest and understanding of the beneficiary were greater? Thousands of women who consent to the surrender of their husband’s policies would not do so if they understood that replacement is only possible on the passing of a satisfactory medical examination and the payment of a higher rate of premium.

In another respect, it would be highly advantageous to excite the care of women for the conservation of policies. Loans would be less frequently applied for if the beneficiaries had a better appreciation of the impairment of the protection entailed by them. The pitiful ignorance on the subject is made evident by the numerous claimants who actually imagine that the death of the insured cancels such liens.

The ultimate object of life insurance is the payment of a death claim and that is its chief function. But it is questionable whether a company’s interest in the matter should cease with the discharge of its contractual obligation. If it be possible by the exercise of a benevolent influence to enhance the security and scope of the provision made for the beneficiary, it would seem to be justified by business policy no less than altruistic consideration.

Thousands of claims are paid yearly without the attention of beneficiaries being drawn to the advantageous instalment option available to them. Tens of thousands of checks are handed to inexperienced widows without a word of warning against swindlers or a hint of advice as to safe investment. A leaflet of purely disinterested character would serve a useful purpose in this respect.

The income policies, now sold by nearly all companies in one form or another, are the most effective mediums for the protection of insurance money against loss and waste. The sale of these policies would undoubtedly be considerably increased by educating beneficiaries to the peculiar advantage of them.

Let us educate the beneficiary. Here is a vast field of opportunity, arid only for lack of reclamation. Let us irrigate it with intelligent instruction and the yield will be a doubled per capita holding of life insurance within two generations.

The plans of the National Committee on Education and Conservation take into consideration the important influence which women exert in life insurance. The proposed country-wide campaign of institutional advertising would appeal just as much to the women of this country as it would to the men.

In the June, 1913, number of the *News* we gave editorial consideration to the great necessity of educating women as to life insurance. Portions of our editorial received marked attention from various sources, and we have since seen no reason to revise or modify our opinion of the situation. We

still believe that, as the matter now stands, woman is the cause of life insurance; an unconscious and indifferent cause, with no relation to the act or to the ultimate effect of the act. She is not dynamic in the situation. The act of a husband taking out insurance and the protection which accrues to her at the time when material support is most needed are merely incidents, and she as the cause as well as the beneficiary has not been volitionally active. In nearly all business transactions the cause is virile and compelling, and the stronger the initial impulse the more surely and quickly follows the resultant act and the consequent effect.

Therefore life insurance as it is written to-day, speaking broadly, has its genesis in a "dead center"; a policy is placed on the life of a man not because of the cause, but rather in spite of the cause.

Why not vitalize the cause? Why not weld together in the proper sequence of all business transactions cause, act and effect? It can be done and will be done if the plans and purposes of the National Association's Committee on Education and Conservation are accomplished.

The Part-Time Problem.

Resuming our discussion of the part-time question, to which we gave considerable space in the January number, particular mention should be made of the action of the Louisiana association with regard to men who solicit life insurance as a side line.

Dismissing from consideration the pros and cons of the situation as it exists in New Orleans, the association at its December meeting passed a resolution whereby any general agent or manager, at the end of one month, who employed part-time men would be expelled from the association. So far as is known, this was the most drastic action taken by any local body with regard to this phase of field activity. Indeed, this resolution was rescinded at a meeting of this body held on the 30th of last month and a substitute resolution was unanimously adopted which recited in part:

"Be it resolved, That this association deprecates the practice that exists in New Orleans, on the part of some general agents and managers, in giving rate books indiscriminately to clerks, bookkeepers and others who are not regular full-time agents or legitimate part-time agents. * * * This association hereby places itself on record, while recognizing in many instances the necessity for the use of the legitimate part-time agent, as deprecating and decrying the abuse of the so-called part-time agent and as discountenancing the practice by any company of accepting business from so-called part-time agents in competition with other full-time agents."

Insurance Commissioner Robert J. Merrill, of New Hampshire, has been instrumental in rendering the life insurance fraternity a great service, for, by reason of his inquiries to some offices having representatives in New Hampshire, executives of these companies have been compelled to state their attitude in connection with the part-time agent. This is an exhibit which is of more than little interest, because the life underwriter is fully aware of the policy of the company he personally represents, but the official viewpoint of other companies has hitherto been more or less of an enigma, or, at best, a subject of conjecture. So far as our knowledge extends, the action of Commissioner Merrill has brought to light the only symposium from company officials on part-timeism.

We are told by *The Eastern Underwriter* that Vice-President E. E. Rhodes of the Mutual Benefit believes that part-time men are necessary.

We think that under certain conditions the employment of part-time agents is fully warranted, and that very unfortunate conditions would result if the companies were not in a position to employ such men. There are many men who find it difficult in their present vocations to provide a comfortable living for their families. They cannot, however, afford to give up their present salaried positions to work elsewhere on a commission basis until they

have demonstrated in such spare time as may be at their disposal that they can earn more as insurance agents than they can otherwise. Unless such men can be employed as part-time agents, they must give up their present positions and become connected with a life insurance company under an arrangement by which the general agent or the company itself agrees to pay them a salary which will enable them to live until they have demonstrated their ability as life insurance agents. This plan is expensive for the general agents or the company, as for some time it will require an outgo in excess of the earnings. We think you will agree with us that the employment of part-time men under the above conditions is a benefit both to society and to the life insurance companies, in that it makes a man a better producer and enables the life insurance business to be conducted more economically.

We realize that part-time men are sometimes employed under conditions which are not as free from objection as those referred to above, but we think that the benefits of the plan far outweigh the objections. Our aim is to develop part-time men into full-time men as rapidly as possible.

Edward B. Preston, general manager of agencies for the Travelers, in reply to Commissioner Merrill, said in part:

We most cordially commend your determination to "limit the representation of insurance companies to genuine insurance agents," etc., and your evident determination to treat with common fairness applicants for license who will devote part time to the insurance business as well as those who devote their whole time to such business. We have in past years set to work "an officer" and now and then "an employe of a factory or similar institution to work mainly among the workmen connected with such a plant," and in many cases with success and entire satisfaction. The writer set such an employe to work in a paper mill in Lowell 45 years ago, who succeeded so well that in a year or so he left the mill in which he was employed and became a special agent of this company and succeeded in doing a large business. He continued in the insurance business during his whole life.

Now and then an officer of such or similar corporations, desiring that his employes be insured, is at considerable pains to induce them to insure against accidents and take out life policies, not on account of the commissions received on the premiums, but because of a desire that his employes be insured. The writer commenced this sort of business in a tannery in Rutland, Vt., more than 40 years ago and has encouraged more or less of it ever since. The teller of a bank commenced canvassing for this company from a bank in which he was employed, directly across the street from this office, in 1864 and 1865, resulting in his appointment as special agent in 1865, and in 1866 his appointment to the general agency of the company in the city of New York, representing us in that capacity for 25 or 30 years; at any rate, until he died. The principal of a school in the province of Ontario was set to work getting business, incidentally, of course, resulting finally in so much success that he was appointed our general agent in Toronto, where he represented us very successfully indeed until his death. In such cases, after a few months' trial, if unsuccessful, we have been in the habit of discontinuing the relation.

We believe this to be a good practice and one which you can heartily favor if the business is well done from the start to the finish. We do not favor the appointment of any part-time agent who evidently desires to receive commissions on his own risk and possibly risks of his brothers or people in his employ or in some way closely identified with him in business or otherwise. Putting it another way, we most heartily favor the licensing

of any such as go into the business as bona fide agents, whether they will devote their whole time or only part of their time.

Not long ago a butcher in the State of New York made application for a license, and also a barber, both of which applications we did not approve. On the other hand, lawyers, bankers, real estate agents and principals of schools, and now and then a clergyman, in order to earn a little extra money, desire to be appointed agents, and we encourage such men and have set to work many, most of the time resulting in success. As a rule, if not enough business is done in the course of a year to warrant a renewal of license, we do not ask for renewal. I have given you a few instances which may help you to reach a conclusion. Many more could be given covering an experience of nearly 50 years.

If applications from such and similarly situated men are carefully considered, getting bottom facts, in the light of our experience, there appears to be justification for not dictating hard and fast rules which forbid the licensing of every way worthy people who will give but a part of their time to the insurance business.

Commissioner Merrill is also in possession of a declaration of part-time principles from the Prudential. President Forest F. Dryden had this to say:

While we have several part-time special agents, as indicated on the list, conditions in the State, occasioned by a sparse population widely scattered in small communities, seem to demand this arrangement. It is, however, emphatically true of every representative of the Prudential that he performs a definite service for any compensation received by him. This company makes no advances to agents, and we believe that frequently during a period of education a man who may ultimately make a great success of the business must be permitted to engage in some other employment during a portion of his time. It is always our purpose and that of our managers to develop the part-time agent to such an extent that he will find it advantageous to devote his entire time to life insurance. Our manager, therefore, instructs and canvasses with the agent with this purpose constantly in view and seeks to impress upon him the opportunities of the life insurance field.

William H. Sargeant, vice-president of the Massachusetts Mutual, carefully explained to Commissioner Merrill the attitude of that company on the subject involved. Mr. Sargeant goes into the question so thoroughly that practically the entire text of his letter follows:

It is our opinion that carefully selected part-time men have a place in the field organization of a life insurance company. When one considers that no general agencies of a company—outside of those located in large centers—have more than a limited number of full-time men enrolled in the service, it will be appreciated that to properly serve his own, the public's and the company's interests the general agent must rely on the assistance of helpers or part-time men. In many States, notably New Hampshire, large cities are few and far between, and the population is widely distributed in towns of varying size, many of which are not easy of access, making the expense of travel—railroad, hotel and sundries—of the full-time man, particularly the general agent, heavy in the extreme, if he is to properly cover the field assigned him. In many of the towns or districts in your own and other States there is not enough regular life insurance business to make it an object for a man to devote his entire time to this particular line, with the result that part-time men who are residents of the community and who have other means to assist them in earning a living are enlisted by the general agent, that he may secure a portion of the business which the population of the district affords. As an illustration, take a young attorney, a school teacher or a clerk, all of whom, for one reason or another, have time on their hands, and who are de-

sirous of adding to their income by taking on some special line of work. And such persons are frequently secured by the general agent to represent him in their towns and surrounding country.

Another class of persons who perhaps are less active than would be the part-time man includes the baker, the postmaster, the general store merchant, and even ministers. General agents are naturally attracted to these persons as helpers because of their standing in town; and to secure introductions to prospects from them is a favor for which they consider it proper to make some compensation. To be on friendly terms with such persons as these enables the agent, in advance of a proposed trip, to inform them of his coming, that they may prepare lists of friends and acquaintances to whom he can be presented. This secures for him a saving of time in the various localities where helpers of this kind reside. It enables the agent to go about his work quickly, as his reception is usually more cordial when he is presented by a townsman than would be the case were he to attempt to secure an interview without such assistance.

Right here, we might say, that when general agents seek advice of us as to proper compensation to these persons we invariably recommend a less amount than would be accorded by him to full or part-time men. It is our opinion that the full-time man should be the one to receive the largest compensation; next, in proportion, comes the part-time man, and last the helper. We appreciate the difficulty confronting the general agent in this matter of compensation. We realize that he is not likely to pay more than he is forced to to the men in his employ. He must, however, be governed, to a great extent, by what other general agents are paying for similar work, for if he does not meet them he will lose his men. Good helpers and good part-time men are soon known in the localities in which they work, and their services are eagerly sought for by energetic and hustling managers.

Not infrequently the part-time man will be a young man whose present business connection is unsatisfactory, perhaps to the fact that it offers no future, and he is therefore anxious to make a change to a field more promising. He hesitates giving up a fixed salary for a commission contract, and, consequently, takes this means to study the business and determine whether or not he is qualified to succeed as a solicitor. Frequently men of this class in this way find that life insurance is their field of work, and eventually become full-time men, and even sometimes raised to the rank of general agent. If they had not in the beginning been encouraged in this way they perhaps would still be behind the counter in the bank or the retail store.

The propriety of licensing an officer of a factory or similar institution is a difficult problem from our point of view. I can imagine cases where an officer might with justice be licensed, but on general principles I would view with some suspicion an application from such a person were it stated that the purpose was to solicit among the workmen connected with the plant. My reasons for entertaining this view are that, as a rule, an officer is not on terms of intimacy with his workmen, and many, it seems to me, would be loath to approach them on the subject of insurance whereby they would be the gainer as the result of the transaction.

With the employe in a factory or similar institution the case is, to our mind, different, as a clerk, foreman or other factory employe could with propriety canvass among his fellow-workers during his leisure hours and by well directed efforts add to his resources. Clerks and other employes are on a more equal footing than would be the case with the official and are more likely to be successful in this line than the officer, many of whom do not come in contact with other than those in the office,

Among the Local Associations

Akron.

Fred C. Dibble, general agent of the Massachusetts Mutual, was elected president of the Akron association at its annual meeting held last month. The other officers selected were as follows: Vice-president, W. W. Peters, Prudential; secretary-treasurer, C. L. Harmon, Northwestern Mutual. Executive Committee—F. W. Sweet, John Hancock; M. Wade, Equitable; G. F. Fricker, Connecticut Mutual.

The secretary's report showed that the membership had increased approximately 25 per cent. during the year.

Baltimore.

Opposition to the taxation of life insurance was the keynote of the addresses at the annual banquet of the Baltimore association held at the Emerson in the evening of the 14th inst.

The principal speakers were United States Senator Lawrence Y. Sherman, of Illinois; National Vice-President Edward A. Woods; Ernest Judson Clark, of Baltimore, president of the National Association, and Douglas H. Rose, of Baltimore. William H. Danner, president of the Baltimore association, was the toastmaster.

Among the guests, besides those mentioned, were James McC. Trippe, Speaker of the House of Delegates; Boyd A. Reinhardt, member of the House of Delegates; Rev. Edwin Barnes Niver, rector of the Christ Protestant Episcopal Church; Jacob W. Hook, Tax Collector of Baltimore, and Charles O. Hall, Deputy Insurance Commissioner.

President Clark in his address made the assertion that the United States was the only civilized nation in the world that taxed a man's efforts to protect his dependent ones, in event of his death, from poverty, distress and illiteracy, and that this tax by the several States amounted at the present time to more than \$13,000,000 per annum, with a purchasing power of \$550,000,000 additional insurance.

Mr. Woods began by saying that it was a fortunate time to discuss this subject, after the victory of last year won before Congress in defeating amendments which would have added at least \$6,000,000 and possibly \$10,000,000 or \$15,000,000 to the burden already borne by American policyholders. The President and both houses of Congress, after a consideration lasting all summer, decided that life insurance was itself a self-imposed tax by the thrifty class of the community, principally to provide for their wives and children and thereby save the State from later dependency, and that it was uneconomic to tax a tax.

Senator Sherman was received with much enthusiasm, and said in part:

"We read in the proverbs of Solomon the following admonition:

"Go to the ant, thou sluggard, consider her ways and be wise, which, having no guide, overseer or ruler, provideth her meat in the summer and gathereth her food in the harvest."

"The foregoing was written some time before the present income tax law of the United States. The ant seems to be the only prudent, industrious living thing that has escaped its provisions. It undoubtedly is an oversight and the meat this industrious insect provides in the summer and gathers in the harvest will be promptly taxed. It is the ant's earning capacity and frugality that the wise maker of the proverbs had in mind. It was the provident insurance against the time when summer should be gone and no harvest at hand, when the animal and vegetable world furnished no support. It was the earliest form of life insurance observed by the biblical sage and philosopher.

"The income tax law, among other things, provides that the expense of conducting a business is a deduction from the

gross income of that business. All interest paid may be deducted. All local taxes on the property employed in the business may be deducted. Machinery or mechanisms of every kind may have something taken out for the depreciation in wear and the like. A dynamo or a steam engine wears out. Worthless debts may be figured out. Loss by storms, fire, flood, elemental accidents of all kinds may be deducted. The net income after the expenses are taken out are taxable in the hands of either an individual or corporate owner.

"A man may insure his delivery wagon horse and deduct the premium. The bank in which he deposits his money carries burglary insurance. The bank is allowed to deduct the premium on a burglary policy in computing its net income. We now come to the earning capacity of the individual man. If he owns the roof that shelters his family, or in which he carries on his business, he may subtract the fire insurance premium from his gross income. He may insure his merchandise and his live stock and take it out as an expense. If he attempts to insure his own life, the greatest economic asset in his family, the premium cannot be deducted as other expenses are. The law encourages insuring a horse and discourages insuring a human being. This happens in an age when some are talking incessantly about social justice. This seems like a legislative sarcasm, but it is a solemn as well as a disagreeable truth.

Boston.

The annual dinner of the Boston association was held in the evening of the 10th inst., in Young's, more than 150 members and guests assembling to honor National President Ernest J. Clark.

President Clarence C. Miller of the local association was toastmaster and at his right and left were seated President Roland O. Lamb, Vice-President A. A. Rand, E. B. Holmes and Walton L. Crocker, of the John Hancock Mutual; Vice-President D. F. Appel and Assistant Secretary Frank T. Partridge, of the New England Mutual; Francis Marsh, President Decker, of the Maine association; James G. White, Col. W. H. Dyer, Elmer E. Silver, Alex S. Browne and Emil Schwab.

President Miller reviewed the work of the association in its 31 years. He said that companies reporting to the Massachusetts Insurance Department alone as of Dec. 31, 1913, exclusive of the industrial insurance, will show about \$13,500,000,000 of insurance.

Alex S. Browne, of the New York Life, spoke of the qualities of Francis Marsh, treasurer of the association since its inception, who recently resigned, and presented him, on behalf of his members, a mahogany hall clock. On the inside of the clock door, on a silver plate, was inscribed, "Presented to Francis Marsh by the Boston Life Underwriters' Association, Feb. 10, 1914, in recognition of 31 years of service as treasurer."

"The taxation of life insurance premiums by the different States is a blotch on American civilization," said Mr. Clark. "It appears all the more shameful in contrast with the attitude taken by other civilized nations, and it is surprising that the general public will stand for the injustice of the situation; the people fail, no doubt, to realize that they pay the tax, not the insurance companies.

"It is of the utmost importance for all concerned to educate legislators. Legislatures and the general public in the matter of life insurance. It is to be remembered that next to the ministry we are dealing with the most important question in the world, namely—death—and that notwithstanding all legislation and criticism we are endeavoring as far as it lies within our power to alleviate the poverty and distress which usually follows in consequence of death with all that poverty means in its effect on disease, vice, illiteracy, and even crime."

Thomas A. Mullen paid a tribute to the character of life insurance companies.

The "goodnight" address was cleverly made in rhyme by Col. W. H. Dyer.

Buffalo.

Among the speakers and guests of honor at the regular January meeting of the Buffalo association were W. H. Wall, former president of the Rochester association, and C. M. Brown, field superintendent of the Aetna Life. Four new members were admitted.

A special feature of the meeting was a question box. A considerable number of questions were asked, and the president called upon members for an answer.

Chattanooga.

Louis M. Coleman, United States District Attorney for East Tennessee, declared at the February meeting of the Chattanooga association that it is not necessary in this age to make a legal argument to convince the business man that life insurance is no longer a luxury, but a necessity in the economy of life. "The hazards of every business," said he, "are so great that a man is almost criminal if he does not protect his family by a life insurance policy, or himself as well as his family by an endowment policy which may be collected in his old age or time of adversity."

The meeting was held at the Hotel Patton at noon on the 7th inst. Paul J. Kruesi, president of the Chamber of Commerce, delivered an interesting talk on "The Abuse of Policy Loans."

Chicago.

Edward A. Ferguson, Illinois manager of the Union Central, has been selected by the nominating committee for president of the Chicago association. J. F. Johantgen, of the New York Life, who has been chairman of the executive committee, has been named for vice-president, with B. C. Howes, of the Union Mutual Life, for secretary, and Hervey S. Dale, manager of the Union Mutual Life, for treasurer. P. J. Kraus, of the Metropolitan, is slated for chairman of the executive committee, the other nominees being A. V. Weil, Fidelity Mutual; Joseph Loebe, Berkshire; F. H. Merrill, Mutual Life of New York, and H. E. Tank, Travellers. The election will take place at the February meeting, which will be held in the banquet room of the Auditorium Hotel on the evening of February 19. Darby A. Day, vice-president of the association, will preside.

Cincinnati.

That the taxation of life insurance is wrong and against all economic principles, and that it will not be tolerated for a moment by the millions of policyholders throughout the United States once it is properly understood, were the principal ideas advanced by National Vice-President Edward A. Woods in talks given on the 10th inst. before the Cincinnati association, at the Business Men's Club, and at the University of Cincinnati, before the College of Commerce.

Mr. Woods stated that the 1913 tax on insurance amounted to over \$13,000,000, a sum which would have purchased \$550,000,000 more insurance. It added 14 per cent. more to the refunds or dividends returned to policyholders, aggregated several times over all the salaries paid to officers of all life companies, took \$63 from every \$1,000 paid the widow, and kept the total cost of insurance to the policyholder two per cent. above where it should have been.

"Ohio is one of the most culpable States in the Union," said Mr. Woods, "in the tax it imposes upon life insurance policyholders, collecting in 1912 \$796,655.55 from life insurance companies to pay the expenses of the Insurance Department—amounting to \$35,824.41 for supervision of all insurance companies. The original purpose of taxation of life insurance companies was merely to pay for the cost of insurance, and here is the great State of Ohio taxing its thrifty policyholders some three-quarters of a million dollars over the cost of running the entire department. Out of every \$100 paid by a citizen of Ohio for life insurance \$2.50 is taken out for the State coffers before the premium ever reaches the home office.

How the original design of the bill, namely, to protect Ohio companies, has been defeated was pointed out by the speaker. Only a fraction of the business of any Ohio com-

pany is done in its own State, yet almost every other State has retaliatory laws under which Ohio companies are taxed 2½ per cent. because of the action of Ohio in charging foreign companies that same rate. This gives Ohio the largest taxation rate of any State in the Union and severely handicaps its companies in the other States in which they are operating.

Cleveland.

Charles W. Scovel, of Pittsburgh, was the guest of honor of the Cleveland association at its regular monthly meeting, held on the evening of Jan. 13, at the Hotel Statler. In the absence of President Herman Fellingner, Vice-President A. D. Hatfield presided. Mr. Scovel discussed "The New Family Service of Life Insurance." The substance of his remarks was practically along the same lines as his address on the same subject at the Atlantic City convention.

Colorado.

Commissioner of Insurance Epsten, of Colorado, was one of the principal speakers at a recent meeting of the Colorado association. The Commissioner is opposed to the taxation of life insurance funds and believes that it should be reduced if not removed altogether. He said in part:

"My position on this question can be summarized in thirteen words: I believe that it is fundamentally wrong to levy a tax on insurance.

"I need scarcely assure you that I hold no brief for any insurance company and that my prime interest is the highest good of the public. Why then this definite position on the question? The reason is very simple: the law of Colorado commands me to make such recommendations, in my annual report to the Governor, as I may deem proper upon the subject of insurance. One cannot prepare a recommendation on a comprehensive and important subject as this by sitting in his office with the door locked and communing with himself. He must confer with all interested parties, secure every point of view, learn every phase and study every angle of the situation before he is prepared to make a proper recommendation, as the law commands. I am, therefore, presenting the matter to you to-day and propose to confer also with the Fire Underwriters, the Casualty Underwriters, with our State Tax Commissioners and with representative public men in order to secure as much light as possible before making any recommendation to the Governor of the State of Colorado.

"Is the question important enough to justify all this time and trouble? The statistics speak for themselves. The average life policy in Colorado, as in the United States generally, is about \$2,000. There are in the United States about 25,000,000 life insurance policies in force, covering nearly 10,000,000 voters. The number of fire insurance and casualty policies I do not know at the present moment, but believe it is equally great. The total amount of money taken annually from the policy-holders of Colorado by taxation is about \$250,000 from the policyholders in all the States it is about \$18,000,000; from the holders of life insurance policies alone the total is about \$13,000,000 a year."

The election of officers resulted as follows: President, P. H. Showalter; first vice-president, L. G. Mulnix; second vice-president, R. E. Hooyer; secretary-treasurer, C. M. Reich.

Columbus.

Henry H. Steiner, manager of the Equitable of New York, was elected president of the Columbus association at its recent annual meeting. Other officers elected were: Vice-President, M. D. Donham, general agent of the National of Vermont; secretary, Ray Rhoads, special agent of the Northwestern Mutual; treasurer, Ralph W. Hoyer, of the John Hancock. The executive committee will consist of the four officers and Albert Speaks, of the New England Mutual; J. F. Stone, of the Equitable of Iowa; B. L. Lewis, of the Connecticut General; J. I. Behling, of the Northwestern Mutual, and M. C. Tyndall, of the Aetna Life.

Connecticut.

The regular January meeting of the Connecticut association was held at Waterbury. J. A. Jackson, of the literary department of the Mutual Life of New York, demonstrated by

means of a chart the component parts of a life insurance premium.

A motion was made to have the delegates of the several New England associations meet the president and secretary of the local association at the annual meeting to be held this month in Hartford.

Dwight G. Holbrook, as chairman of the publicity committee of the association, suggested that every member of the association send to him any newspaper or magazine clippings regarding life insurance which come to their attention. It was further suggested by Mr. Coyle that the members cultivate the acquaintance of their local reporters who were very glad to obtain items with regard to life insurance which would serve as news matter.

The annual meeting of the Connecticut association was held on the evening of the 12th inst., at the Hartford Club, in Hartford. It was decided to prepare for a conference of New England associations in the near future and a temporary organization was formed with the following officers: President, H. S. Waldron, Springfield, Mass.; vice-president, Otis D. Arnold, Worcester, Mass.; second vice-president, E. E. Decker, Portland, Me.; secretary, Lee C. Robens, Hartford, Conn.; chairman of executive committee, C. C. Miller, Boston, Mass. At the banquet the principal speakers were National President Ernest J. Clark; Vice-President E. E. Rhodes, of the Mutual Benefit; W. S. Ashbrook, agency secretary of the Provident Life and Trust; Dr. J. Warren Harper, of Hartford, and Dr. E. T. Bradstreet, of Meriden.

Delaware.

A special meeting of the Delaware association was held on the 9th inst. in the grill room of the Hotel Du Pont, Wilmington. Several amendments to the constitution were adopted as follows:

CONSTITUTION—ARTICLE 3.

Membership.

Any person who is licensed to write life insurance in the State of Delaware or vicinity for any regular legal reserve company, as defined by the Constitution and By-Laws of the National Association of Life Underwriters (revised Aug. 19, 1908, Sections 1 and 2 attached hereto) shall be eligible to membership by vote of the association shall be divided into resident and non-resident members.

(a) The active membership shall consist of active life underwriters representing legal reserve life insurance companies. Should a vote by companies be demanded, in writing, at any meeting, by two members, representatives of different companies, each company represented at such meeting will be entitled to one vote only, each company's delegation present to designate the member authorized to exercise their privilege.

(aa) Non-resident membership shall consist of active life underwriters not engaged in agency work in Wilmington, Del., who may, however, if they desire, be elected to active membership. An applicant for non-resident membership can be elected only after favorable recommendation by the executive committee, who shall decide whether or not the applicant is eligible to be transferred to the active roll by vote of the association upon payment of the prorated dues for the remainder of the fiscal year.

BY-LAWS—ARTICLE 5.

Annual Dues.

The annual dues for general agents, managers of agencies, and superintendents of agencies of life insurance companies shall be \$5, to be paid immediately after election to membership. The annual dues of other resident members of the association, not included in the above-named titles shall be \$2.50. The annual dues of non-resident members shall be \$1. Failure to pay the annual dues within 30 days of election, or of the annual meeting, may cause the forfeiture of membership. The secretary is required to report to the executive committee the names of all delinquent members.

Detroit.

The annual meeting of the Detroit association was held at the Edelweiss Cafe on the evening of the 2d inst. with an attendance of 63. Several new members were elected.

Retiring President Henry Farmer reviewed the work of the past year, stating in part:

"I wish to call special attention to the work of our legislative committee because it demonstrated two things: That members are willing to place their time and money at our disposal for the good of all; and, secondly, that freaky and ill-considered bills aimed in ignorance at the life insurance business may be amended or defeated if only some one competent to speak for the business will show that such measures are not in the best interests of the public. The gentlemen who composed the committee and who procured the amending of several mischievous bills are John J. Oliver, Charles E. Baxter, Col. Will A. Waite, George L. Bahl, H. Wibirt Spence and William Van Sickle. In this connection I would strongly urge that this association endeavor to secure the election of the next legislature of a life insurance man, so that we may have some one to properly represent the interests of our business and defend it against the attacks of possibly well-meaning but ignorant parties.

"The educational movement in life insurance was given a start in Detroit through the efforts of our committee, headed by Lawrence Cameron Hull, who secured the acquiescence of the school authorities in our plan to have lectures delivered in the high schools. Two lectures have been delivered and more are in prospect. The important point is that we have made a beginning."

The following officers were unanimously elected: President, M. H. Zacharias, Connecticut Mutual; first vice-president, J. L. Scott, Prudential; second vice-president, Ernest W. Owen, Sun Life; secretary, John Sibley, Northwestern Mutual; treasurer, Archie G. Richardson, Mutual. Members of the executive committee—Walter Thompson, Travelers', and A. C. Williamson, Prudential; member of the executive committee of the National Association—Henry Farmer. Prior to the election of the latter, William Van Sickle, who had been the representative of the Detroit association on this committee for 12 years, declined to serve any longer. H. Wibirt Spence called attention to the excellent work Mr. Van Sickle has done on the committee and said that this work had been a good thing for both the local and the National Association. He moved a rising vote of thanks to him, which was given heartily, followed by the singing of "For He's a Jolly Good Fellow."

District of Columbia.

The District of Columbia association held its annual meeting last month at the Raleigh Hotel, Washington. National President Clark was the guest of honor and urged the passage of the bill, which has been on the House of Representatives calendar for two years, for a new insurance law. Mr. Clark stated that the present insurance code is out of date and probably the worst in the country. The bill now pending, as described by Mr. Clark, is designed to regulate field practices, providing penalties for rebating, misrepresentation on the part of agents, stock jobbing, embezzlement and part-time men.

"The National Association," said Mr. Clark, "favors a number of specific insurance bills rather than a new code to supplant the one now in force."

Erie.

M. H. Zacharias and Colonel W. A. Waite, of Detroit, and Judge Paul A. Benson were guests of honor at the annual meeting of the Erie association, held in the Reed House in the evening of Feb. 13. Following dinner the members of the association elected officers and listened to speeches by their guests.

The officers chosen are: President, V. W. Doolittle; first vice-president, E. F. Randall; second vice-president, R. H. Howell; treasurer, W. E. Leonard; secretary, J. C. Crittenton; executive committee, W. H. Riley, J. M. Dickey, C. B. Bambaugh, R. W. Hughes and J. F. Brown.

Mr. Zacharias delivered the principal address of the evening. He and Colonel Waite came from Detroit especially for this occasion. In his talk Mr. Zacharias touched upon the manner of meeting competition in the insurance business and dwelt at some length upon the ethics of the business. His address was greatly appreciated by the 35 underwriters present at the meeting. Colonel Waite, Judge Benson and J. M. Dickey also talked upon matters incident to the insurance business.

Florida.

The meeting of the Florida association, held on the 11th inst., was declared to be one of the most successful of the association. One point on which the association took a stand, which will be further developed by a committee before the next session of the Florida Legislature, was the protest against the high license taxes which insurance agents and companies, both life and fire, must pay in this State.

Dr. S. L. Lowry, who was named secretary and treasurer, and chairman of the committee on legislation, said it was a matter not only for the insurance men, but for the people of the State to interest themselves in. "It puts a tax on the man who wishes to protect his home, to guard his family in the event of his death, for when the insurance companies are taxed higher they must ask more from the policyholder," said he.

Mr. Lowry went on to explain how the dividends paid back in this State diminish because of the higher license required of the companies, and how some companies which are the strongest and pay the highest dividends do not operate in the State because it costs so much to do business in Florida.

Any company writing policies in Florida must pay \$200 to the State, and \$10 on top of that for each agent. If an agent travels in any county other than his own he must pay \$25 more. There is a county license of \$2.75, and in Tampa a city license of \$65 to pay, and when all are paid there is a further tax of two per cent. on every dollar's worth of revenue.

The State needs new laws and a different system of licensing so that the companies, while paying for supervision by the State, need not pay prohibitive fees, and contribute to the State's revenue out of proportion to other lines, Mr. Lowry says. It should also have—and he says it is one of the few States which has not at present—a bureau of insurance.

At present the duty is a minor detail of the State Treasurer's work.

At the meeting, in addition to electing the officers, the association voted to have a quarterly meeting instead of each year. The new officers of the association are S. F. Wooten, Tampa, president; J. Will Gardner, DeLand, vice-president; F. E. Broadnax, Jacksonville, second vice-president; S. L. Lowry, Tampa, secretary-treasurer; executive committee, S. F. Wooten, A. C. Harlee, Tampa; R. Jeter Jones, Jacksonville; P. T. Richardson, Walter Platt; membership committee, R. A. Ellis, O. A. Ayala, A. C. Harlee; press committee, R. A. Ellis, Walter Platt, A. C. Harlee; committee on legislation, Dr. S. L. Lowry, R. A. Ellis, S. F. Wooten.

Georgia.

Oscar Palmour, general agent of the Connecticut Mutual, was elected president of the Georgia association at the annual meeting held at the Ansley Hotel in Atlanta recently. J. H. Byrly was elected vice-president and Thomas Daniel, general agent of the Union Central, secretary-treasurer. The executive committee for the year consists of W. E. Hawkins, Aetna Life, chairman; R. L. Foreman, Mutual Benefit; R. F. Shedden, Mutual Life of New York, and Hugh M. Willett, Penn Mutual. Mr. Willett made an interesting address on "Education and Conservation." Harry I. Davis, the newly appointed general agent of the Massachusetts Mutual Life, was elected to membership.

Grand Rapids.

The Grand Rapids association is planning to make Grand Rapids and western Michigan one of the largest insurance fields in the country and to bring there for its monthly dinner meetings as many leading men in the insurance world as possible to discuss questions of interest not only to insurance men, but to the general public.

The association is now endeavoring with good prospects of success, to secure for the March meeting National Vice-President Edward A. Woods.

It is explained that in Michigan there is a tax of 2 per cent. of every \$1 of premium of the old line companies, which is said to be altogether too high and that the State insurance department could be run for much less than the amount, \$400,000 or so annually taken for this purpose, and that one-half of one per cent. would in all probability be a sufficient rate of taxation. It is pointed out that the rate of taxation hits the people, who consequently have to pay more for their insurance.

This question is due for more attention from the local association this year, and it may ascertain what would be a proper rate of taxation and take measures, including a campaign of public education, to bring about a reduction in the insurance tax.

John T. Winship, State Insurance Commissioner, is in view as the speaker for the February meeting.

W. P. Lovett was the speaker at the January meeting, which was held in the Association of Commerce cafe Saturday. His topic was "Optimism for 1914," and the prospects for the year were discussed by members of the organization.

Harrisburg.

National President Ernest J. Clark was the guest of honor of the Harrisburg association at a meeting held on the evening of the 6th inst., at the Engineers' Club. What the affair lacked in attendance was more than compensated for in enthusiasm. Several new underwriters were elected to membership immediately following Mr. Clark's address.

Mr. Clark discussed various phases of the profession, and in conclusion he said:

"Think of the millions of fatherless and orphaned children whose intellectual, moral and physical natures have been dwarfed through poverty, in consequence of the death of a father who had neglected, through procrastination or indifference or ignorance (they all amount to the same thing), to make provision for them against his death."

Indiana.

At the Claypool Hotel, Indianapolis, on the 3d inst., the Indiana association held its regular monthly meeting with 50 members present. President Brewster introduced Archibald M. Hall as presiding officer and toastmaster of the occasion. On taking the chair Mr. Hall made a few remarks of appreciation in accepting the honor. He introduced Rabbi Arthur A. Zinkin, of Lafayette, who gave an address on the subject of "Life Insurance and Democracy." The Rabbi's address was scholarly and inspiring, full of the milk of human kindness and brotherly love.

Following Rabbi Zinkin, Toastmaster Hall introduced Darby A. Day, manager of the Mutual Life at Chicago, who gave an inspiring and practical talk on "The Life Insurance Man." His remarks were full of life, work, energy and optimism.

North Indiana.

Preparations for more intensive organization were made by the members of the Northern Indiana association at the annual banquet held on February 4 at the Anthony Hotel, Fort Wayne. The following officers were elected for the ensuing year: President, J. F. Conway; vice-president, Julian F. Franke; secretary, Arthur Young; treasurer, Jacob Hartman.

W. P. Cooper, retiring president, acted as toastmaster. Among those who responded with brief talks were Charles W. Orr, S. D. King, C. B. Fitch, A. J. Wilson and D. C. Fitch.

Iowa.

Henry S. Nollen, vice-president of the Equitable Life of Iowa, delivered an address on "The Income Tax" at the February meeting of the Iowa association, held on the evening of the 7th inst. at the Grant Club, Des Moines. It was resolved that each member who brings a guest to a meeting should pay a dollar for the supper of said guest. Other than the address of Mr. Nollen, there were a few matters of routine business which were briefly disposed of.

Kansas City.

M. F. Belisle was unanimously elected president of the Kansas City association at its meeting, Jan. 19. E. M. Somerville, former secretary, was elected first vice-president; R. J. Liddane, second vice-president; William J. Cardwell, secretary-treasurer, and J. P. Miller, chairman of the executive committee. A framed and engraved set of resolutions was presented to C. C. Courtney, a retired agent, who had been made a life member of the association.

Knoxville.

At the annual meeting of the Knoxville association in the private dining-room of the Cumberland Club Building, on the evening of Jan. 24, Dr. J. N. Ellis was elected president of the association for the ensuing year, succeeding J. E. Lutz, the retiring president; first vice-president, W. B. Henderson; second vice-president, J. V. Rymer; secretary-treasurer, Geo. F. Harrison.

The new members of the executive committee to serve for 1914, in conjunction with the officers, are Elihu Anderson, J. W. Prevost, T. S. McKinney, E. R. Lutz and F. W. Flenniken.

Five new members were elected to membership in the association. They are Charles Mitchell, Prof. Charles C. Himel, J. Ed. Lavin, N. C. Llewellyn and Frank Heart.

Reports from the officers and standing committees showed that the association has had a very prosperous year under the leadership of President J. E. Lutz, having an increase in membership of 60 per cent., as well as the attendance on the monthly meetings having increased.

A report from the committees on anti-taxation was read by the chairman, J. N. Ellis, stating that a public meeting would be held some time in March, to which the public would be invited, also members of the legislature and congressmen. Among prominent speakers on this occasion will be former Insurance Commissioner Reau E. Folk.

T. S. McKinney, chairman of the committee on publicity and education, made his report in regard to contracting for sixty inches of space in a daily paper for a period of one year, the space to be edited by the association and appearing once a week. The members present were heartily in favor of this move and authorized a committee of three to confer with members not present, and complete all arrangements to start this educational campaign March 1 and report at the next meeting.

A letter was read from Warren M. Horner, chairman of the committee on education and conservation, of the National Association, in regard to all members contributing toward a \$25,000 fund to be used in the publication of a text-book on life insurance for use in public and high schools, and a general publicity campaign of education and advertising now being launched by the National Association. This was endorsed by the local association, and members present agreed to personally contribute to this fund on the basis of 5 per cent. per \$1,000 of business written in 1913.

George F. Harrison, secretary-treasurer, read his annual report, which was accepted. It showed all moneys received and disbursed, and a balance left in the treasury.

A vigorous campaign will be carried on by the association to enroll every local life insurance salesman in the city and in surrounding territory as a member. The association is two years old, and has done a remarkable work in elevating the profession of life insurance writer. President Ellis says that the unquestioned advantages of membership in the local association are such that no life insurance salesman should remain outside.

Louisiana.

There was an unusually large attendance of the members of the Louisiana association at the regular monthly meeting held Jan. 30 at the residence of Frank L. Levy, general agent of the Equitable Life, 1524 Seventh street. President Crawford H. Ellis presided. The resolution adopted at the previous meeting providing that at the end of one month the association take such action as it might deem necessary to correct the practise of some general agents and managers in giving rate books indiscriminately to clerks, bookkeepers and others who are not regularly engaged in the work of life insurance, was rescinded. This action was taken after the resignation of J. M. Goldsmith, of the Prudential, and Robt. G. Crump, of the Germania, had been read, these gentlemen claiming the right to employ part-time men or brokers. A general discussion showed the sentiment to be against the violation of the law by giving books to men without a license and to protect the legitimate agent as far as possible against the introduction of the man from the outside given a rate book for some special case.

The following resolution introduced by Frank L. Levy was unanimously adopted:

"Be it resolved, That this association deprecates the practice that exists in New Orleans on the part of some general agents and managers in giving rate books indiscriminately to clerks, bookkeepers and others who are not regular full-time agents or legitimate part-time agents."

"We believe that the profession of life insurance should be conducted on a high plane and that the regular producer should be protected against the indiscriminate placing of rate books with and the acceptance of business from so-called agents where appointed to cover the placing of one or more risks, but who are not, in a reasonable interpretation of the term, active agents, whether whole time or part."

"This association hereby places itself on record, while recognizing in many instances the necessity for the use of the legitimate part-time agent, as deprecating and decrying the abuse of the so-called part-time agents and as discountenancing the practice by any company of accepting business from so-called part-time agents in competition with their full-time agents."

The sentiment of the meeting favored the ideas advanced by William Henry Brown, of the Equitable, that punitive measures disrupt associations and that the good accomplished by life underwriters' association is done entirely by moral suasion.

Mr. Crump withdrew his resignation and the resignation of Mr. Goldsmith was not accepted.

At the suggestion of Mr. Smither it was decided to invite non-residents of New Orleans to become members without the initiation fee at a cost of \$1 per year for dues. This action will be taken through the motion of Mr. Brown giving notice of an amendment to the by-laws to be voted on at the next meeting. Mr. Levy was tendered a vote of thanks for his hospitality in entertaining the members.

The invitation of W. J. Hannon, of the Mutual Life, to hold its next monthly meeting Feb. 28, at his residence, 2809 Esplanade avenue, was accepted.

Louisville.

At a meeting of the Louisville association, at Hotel Henry Watterson, in the evening of the 9th inst., National Vice-President Edward A. Woods, of Pittsburgh, Pa., said American life insurance was not an institution for making profits, but for distributing losses.

"The billions represented in insurance is the striking answer of the American nation to the world's charge of extravagances and lack of thrift," he said. "Yet the United States is the only country which seizes this very loss distributing machinery to levy, collect and have handed over to the governments of the various States and nation enormous funds in the guise of taxes."

Mr. Woods called attention to the fact that not less than \$12,000,000 annually has to be paid by life insurance companies for supervision alone. He declared this was six times as much as in 1890. He also referred to additional burdens placed upon companies by the Federal Government. It is unfair to have the regular life insurance companies singled out, while fraternal and assessment organizations are exempted, he said. In 1860, he declared, the States took only 70 cents from each \$100 paid by policyholders, while at present \$2 is exacted.

Other speakers were W. W. Dennis and Marshall Bullitt. Mr. Dennis presided as president of the local organization and Mr. Bullitt explained how impossible it was to have unit accounts in insurance offices. He also stated that fraternal insurance organizations cannot survive unless they change their methods. The only way, he said, that insurance companies could be conducted was by the application of the principle of average.

Appeals were made by all the speakers for a strong organization. More than half of those in attendance were not members of the association.

Eastern Maine.

President F. L. Ryan of the Eastern Maine association has appointed the following committee on education and conservation: Charles R. Dunton, Northwestern; Lawrence Rooney, Metropolitan; J. T. Taylor, Penn Mutual.

Central Massachusetts.

The annual meeting of the Central Massachusetts association was held on Jan. 22 at Worcester. Edgar C. Fowler, superintendent of agencies of the State Mutual, was elected an associate member. President Woodrow Wilson and Governor David I. Walsh of Massachusetts were elected honorary members. The new officers elected are as follows: President, Edward A. Robertson; first vice-president, Eli Bouchard; second vice-president, Charles H. Sagar; treasurer, Guy F. Wheeler; secretary, Otis D. Arnold. Executive Committee—Chairman, Eli Bouchard; Charles H. Sagar, Otis D. Arnold, Dana M. Dustan, E. A. Robertson, Guy F. Wheeler, B. B. Snow, William James Hogg, William C. Cerie.

Minneapolis.

The annual meeting of the Minneapolis association was held on January 31 with a good attendance. Three new members were admitted. The officers submitted reports covering the year's work. Report of the treasurer, C. N. Patterson, showed an increase of 40 per cent. in funds on hand. The association has adopted the use of a membership card.

Warren M. Horner, chairman of the National Committee on Education and Conservation, spoke of the value of the text-book being prepared by Dr. S. S. Heubner. He also assured the members that they might look forward to a successful termination of the proposed plan of institutional advertising.

New Hampshire.

A special meeting of the New Hampshire Life Underwriters' Club was held at Manchester on Jan. 31. The speaker of the occasion was Stuart Anderson, of the literary department of the Massachusetts Mutual. Mr. Anderson delivered an address on "Commercial Insurance."

Nebraska.

The monthly meeting of the Nebraska association was held on the 7th inst., in Omaha. N. K. Van Huesen, of the agency force of the Mutual Benefit, delivered an address on "The Development of Liberty," tracing its progress for 20 centuries.

New York.

It has been said that a New York audience is not easily surprised, yet Edward A. Woods, vice-president of the National Association and general agent of the Equitable at Pittsburgh, caused an unusual degree of astonishment by certain statistics which he presented in the course of his address delivered at the regular January meeting of the New York association, held at the Press Club at noon on Jan. 27. "New

York City," said Mr. Woods, "pays \$75,000,000 a year for various forms of vices, more than it does for women's independence, women's virtue and even for the family and the home through life insurance."

The speaker's remarks were principally confined to an argument against the taxation of life insurance funds. The figures and statistics quoted proved conclusively the inequity and inequity of the present system of taxation. "The proposition," said Mr. Woods, "that life insurance ought not be taxed is a very simple matter. Let us imagine a body of neighbors, one of whose members has died, leaving a widow and children. Let us imagine that those neighbors clubbed together and collected a thousand dollars for that widow, to provide a little fund for her and her children. What would happen if a tax gatherer of the State were to walk into that room by the coffin and demand \$63 of that money? This is what taxation of life insurance is.

That is a simple proposition and because it is simple we can understand why no other civilized government does not tax it. Even Japan does not tax it. And this country where the citizens provide voluntarily more insurance twice over than all the rest of the world put together."

In Mr. Woods' introductory remarks he dwelt briefly upon the part-time question, and once or twice during his address took a good-natured fling at the slim attendance at the meeting, referring to a recent meeting of the Pittsburgh association, where there was an attendance of 400 and at another meeting of the St. Louis association, where 300 members and guests were present.

President Allen appointed the following nominating committee: M. E. Goulden, chairman; Charles Jerome Edwards, Bernard R. Rose, Conrad V. Dykeman and J. S. Tunmore.

The next meeting of the association will be the annual dinner and will be held at the Hotel Astor on the evening of Feb. 24. The speakers will be Mayor John Purroy Mitchel, James E. Cropsey, District Attorney of Kings County; William W. McClench, president of the Massachusetts Mutual, and Royal S. Goldsberry, president of the Pittsburgh association and representing the Northwestern Mutual in that city.

North Carolina.

The annual meeting of the North Carolina association was held on the evening of the 10th inst., in Raleigh. The principal speakers were Hugh M. Willet, chairman of the executive committee of the National Association, and Insurance Commissioner James R. Young.

Oklahoma.

At a meeting of the Life Underwriters' association of the Eastern District of Oklahoma, at Tulsa, on the evening of Feb. 2, Insurance Commissioner A. L. Welch was the principal speaker. His address was received with much interest. "You are engaged," said he in his introductory remarks, "in a great business, the influence of which extends to every aspect of finance and trade. But most important of all is the relation of insurance to the family. Life insurance as a social institution primarily contemplates the certain, and effective protection of widows and orphans. As has been said, 'Death may lay low the household head; creditors may quarrel over the financial remains; the sheriff may step in and settle disputes; riches may take to themselves wings and fly away; but life insurance suspended on the brittle thread of human life, like a benison of blessing above the heads of the helpless, suddenly loosed by the snapping of the silver cord, drops into the lap of the widow as surely and as certainly as the point of the needle swings to the pole.' All this and more does life insurance do, and you are its ambassadors. Without you this great business would not be what it is today—the agent is indispensable."

Oregon.

A large attendance characterized the January meeting of the Oregon association. President Hubert H. Ward reported that Seattle had the lead in the membership contest, with Los

New England Mutual Life Insurance Company

87 Milk Street, Boston, Massachusetts

ALFRED D. FOSTER, PRESIDENT

Seventieth Annual Statement

According to Actual Market Values December 31, 1913, as fixed by the Massachusetts Insurance Department.

ASSETS

Bonds and Stocks.....	\$35,389,183.00
Real Estate: Home Office Buildings	1,230,003.19
Other Real Estate.....	671,029.15
Loans on First Mortgage.....	14,161,234.00
Loans on Collateral Security...	223,000.00
Loans on Policies and Premium Notes	9,991,872.94
Interest and Rents, due and accrued	828,346.64
Net Outstanding Premiums....	568,996.40
Cash in Banks.....	696,368.21

\$63,760,033.53

LIABILITIES

Reserve at Massachusetts Standard	\$57,931,525.32
Death and Endowment Claims Reported and Awaiting Proofs	304,416.53
Reserve for Unreported Death Claims	41,612.00
Reserve for Equalization of Mortality and Depreciation of Assets	300,000.00
Premiums and Interest paid in advance	61,259.45
Commissions and Expenses Accrued	46,151.94
Insurance Taxes, payable in 1914	150,314.43
Distribution of Surplus Accrued	482,176.33
Distribution of Surplus Apportioned Dec. 31, 1913, payable in 1914	1,865,000.00

\$61,182,456.00

NET SURPLUS, Massachusetts Standard.....	\$2,577,577.53
NET SURPLUS, New York Standard	4,986,246.53

Increase in Premium Income.....	\$512,968.76
Increase in Gross Income.....	677,660.17
Increase in Gross Assets.....	2,341,635.54
Increase in Policy Reserves.....	3,613,485.45
Increase in Insurance in Force.....	20,200,598.00

NEW YORK CITY OFFICES:

EDWARD W. ALLEN, Manager, 220 Broadway.

LATHROP E. BALDWIN, Manager, 141 Broadway.

CHARLES H. STRAUSS, General Agent, 200 Fifth Avenue.

PARKER & HINKLEY, General Agents,
White Building, Buffalo, N. Y.

HENDERSON & MANN, General Agents,
Cutler Building, Rochester, N. Y.

HENRY P. WICKES, General Agent, Union Building, Syracuse, N. Y.

Angeles a close second. A feature of the evening's entertainment was an address by C. W. Helser, general manager of the Continental Life, a visitor from Salt Lake. Mr. Helser spoke of the work accomplished by the Utah association.

The executive committee announced the following names for officers for the ensuing year: President, D. C. Herrin; vice-president, F. M. Bradley; secretary-treasurer, Joseph H. Gray.

One of the interesting features of the meeting was a debate on participating insurance and non-participating insurance. A. S. Rothwell opened the discussion for the affirmative side and Harry Richey took up the cudgels for the negative. Monthly income insurance will be the subject for discussion at the February meeting.

Philadelphia.

"Life insurance is not a business; it is the foremost of all the professions," said Dr. Lee K. Frankel, 6th, vice-president of the Metropolitan, in his address to the members of the Philadelphia association at their annual dinner held on the evening of Feb. 2 at the Continental Hotel.

His subject was "The Extension or Conservation of Human Life," and asserted that his company was endeavoring virtually to carry out the idea of prolonging the life of its almost 11,000,000 policyholders by teaching them to live cleanly and morally, and by instilling in them a kinship, a solidarity of brotherhood wholly for their own benefit.

"We employ trained, graduate nurses to visit our sick policyholders," said Doctor Frankel, "give picnics and outings for the children and babies of the insured and by every method known to science strive to prolong their life. Thirty years ago the average life was 34 years; to-day it is approximately 45 years. Conservation of life is so important that a company has just been organized for the purpose of periodically re-examining the insured, and the larger insurance companies will lend their heartiest co-operation to this company.

"It is better to re-examine and help the policyholder

to live longer than it is to pay a death claim."

James Mapes Dodge, chairman of the Link Belt Co., spoke on "Efficiency," and emphasized the fact that "scientific management is spreading all over the world, and every establishment which introduces this system is automatically free from labor troubles. It removes friction and is the universal forerunner of peace on all questions between capital and labor."

The following officers were elected for the year: John R. Fox, president, Metropolitan; E. O. Mosier, vice-president, Equitable; Thos. L. Fansler, vice-president, Northwestern; Louis F. Paret, vice-president, Provident; Clarence A. Wray, treasurer, Home of New York; John William Clegg, secretary, Penn Mutual.

Executive committee.—C. S. V. Branch, Sun; E. P. Langley, Equitable; H. O. Chapman, Prudential; O. F. Lenhardt, Travelers; Jas. H. Glenn, Mutual Benefit; George H. Lokes, John Hancock; W. R. Harper, Aetna; Walter M. Long, Metropolitan; Ralph Humphreys, Penn Mutual; Arthur D. Murphy, Home of New York; George F. Schilling, Union Central; Jos. C. Staples, Pacific Mutual.

Pittsburgh.

In the English room of the Fort Pitt Hotel at noon on Jan. 24 the Pittsburgh association held its regular monthly meeting. Three hundred and thirty-five members and guests were present, and the special guests of honor were: Rev. William A. Sunday, Mrs. Sunday, Mr. Rodeheaver, Bishop Perry, of Philadelphia, and Rev. Russell, of Westminster College. President Goldsbury, who presided, announced that the University of Pittsburgh would distribute cards asking for a subscription, and urged all present to pledge their individual support, as the college desires to raise three million dollars and has arranged for a course on life insurance.

Mr. Rodeheaver made an enthusiastic talk and gave a fitting introduction to Rev. Mr. Sunday by teaching the evangelistic hymn, "If Your Heart Keeps Right," Mr. Rode-

The Union Central Life Insurance Co.

OF CINCINNATI.

Forth-seventh Annual Statement, Paid-for Basis for the
YEAR ENDING DECEMBER 31, 1913.

ASSETS.

Mortgage Loans.—Number 36,694 in 35 States, secured by first mortgage on real estate worth over \$278,000,000 and interest accrued thereon.....	\$76,484,480.70
Policy-holders' Obligations.—Policy Loans, \$15,450,517.72; Premium Notes, \$2,080,635.20; Accrued Interest, Premiums due	18,686,406.17
Real Estate.—Home Office Properties, \$3,036,672.75; Land taken in foreclosure of 15 mortgages in 6 States, \$39,224.26, and rents accrued thereon.....	3,076,922.26
Cash on Hand and in Banks, 98% of which is drawing interest.....	820,755.24
U. S. Bonds and Interest Accrued thereon; deposited with the Treas. of Virginia, the only bonds of any kind owned by the Company	24,625.00
All Other Assets.....	7,500.00
Total Admitted Assets.....	\$99,100,689.37

LIABILITIES.

Statutory Reserve	\$79,355,504.00
Special Funds.—To the Credit of Life Rate End, and Surv. Div. Policies.....	9,511,410.00
Policy Claims.—Instalments not due; Proofs in process of examination or adjustment; Premiums paid in advance; Dividends due policy-holders; Commissions and taxes contingent on the payment of premiums.....	1,916,194.28

Dividends Apportioned to Policy-holders for 1914	\$3,446,682.79
Other Liabilities.—Sundry Accounts.....	133,492.66
	\$94,363,293.73

General Surplus and Capital Stock.—Surplus from Participating business, \$2,716,886.68; Surplus from Non-Participating business, \$1,520,508.96; Capital Stock, \$500,000.00.....	4,737,395.64
	\$99,100,689.37

Receipts.—Premiums, \$12,845,957.63; Interest and Rents, \$5,599,777.06; Profit and Loss—Profit on sales of real estate and on other items, \$82,810.33; Other Receipts, \$992.76. Total Receipts.....	\$18,529,537.78
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Disbursements.—Death Losses, \$2,516,127.60; Endowments, \$470,867.53; Life Rate Endowments, \$1,898,072.39; Dividends and other payments to policy-holders, \$4,283,253.87; Taxes, \$234,377.87; Commissions, administration, investment and all other disbursements, \$3,050,654.47.	
Total Disbursements	\$12,453,353.73

Excess of Income over Disbursements....	\$6,076,184.05
	\$18,529,537.78

Total Insurance in force, \$375,352,745.00; Gain during 1913, \$27,413,541.00; New Insurance paid for during 1913, including revivals and increases, \$51,118,572.00. Gain of \$2,765,664.00.

For Agencies, address

JESSE R. CLARK, President.

ALLAN WATERS, Supt. of Agents.

Offices for rent in the Union Central's magnificent new office building.

The Pacific Mutual Life Insurance Company of California

GEO. I. COCHRAN
PRESIDENT

Capital Fully Paid \$1,000,000

GAIL B. JOHNSON
VICE-PRESIDENT

Balance Sheet as of December 31, 1913

ASSETS		LIABILITIES	
Loans on Real Estate . . .	\$16,340,427.09	Reserve on Policies . . .	\$25,081,596.33
Amount of Loan does not exceed the statutory percentage of appraised value.		Claims in Process of Adjustment . . .	327,651.49
Loans on Approved Collateral . . .	1,727,312.32	Being Claims reported, but of which Proofs have not yet been received, or are incomplete.	
Loans to Policyholders . . .	5,130,586.93	Premiums and Interest Paid in Advance . . .	155,268.23
In no case does amount of Loan exceed the Reserve held by the Company.		Reserved for Taxes Payable 1914 . . .	125,000.00
Bonds and Stocks Owned . . .	3,285,814.50	All other Liabilities . . .	269,105.74
Being Bonds, \$3,168,314.50, of Municipalities, Railroads and other Quasi-Public Corporations, and Stocks, \$117,500.00, all valued as of Dec. 31, 1913.		Including \$14,031.50 set aside for Medical Fees, and \$121,285.47 for Agents' Commissions in Accident Department.	
Real Estate Owned . . .	1,094,257.41	Total Liabilities . . .	\$25,958,621.79
Including Home Office Building.		Capital Stock . . .	1,000,000.00
Interest Due and Accrued . . .	378,350.21	Surplus Set Aside for Future Dividends to policyholders . . .	1,435,368.79
Outstanding and Deferred Premiums } Life Dept. 568,428.09		Surplus, Unassigned . . .	944,161.41
Net Amount, Reserve charged in Liabilities. } Accident Dept. 379,017.12		Total . . .	\$29,338,151.99
Cash on Hand . . .	428,754.05	Increase in Life Business in Force (Paid-for Basis) . . .	\$11,731,179.00
Including Deposits drawing Interest.		Increase in Assets . . .	3,095,146.07
Other Assets . . .	5,204.27	Increase in Cash Income . . .	880,769.19
Total Admitted Assets \$29,338,151.99		Increase in Reserve . . .	2,474,630.65
New Life Business Written, 1913 (Paid-for Basis) . . .	\$24,088,667.00	Increase in Surplus, Assigned and Unassigned . . .	464,414.22
Total Life Business in Force, 1913 (Paid-for Basis) . . .	145,040,193.00	Average Rate of Interest Earned on Invested Funds . . .	6.15%
Total Cash Income, 1913 . . .	9,079,865.75		
Premium Income Accident Department, 1913 . . .	1,944,836.04		
Total Paid Policyholders in 1913 . . .	3,478,697.78		
Mortality, Actual to Expected . . .	66.47%		

SURPLUS
(Assigned and Unassigned
Exclusive of Capital)
\$2,379,530.20



ORGANIZED 1868

HOME OFFICE:
LOS ANGELES,
CALIFORNIA

heaven singing the stanzas and the audience joining in the chorus.

Mr. Goldsbury then introduced Mr. Sunday. Mr. Sunday said that he did not have any special message on the subject of life insurance, except that he believed in it; that he carried life insurance policies and would just as soon think of going to bed at night without the protection of life insurance as he would without asking God's protection for the night.

The speaker declared that men must be right with the world as well as with God, and to be right with the world he must think of and provide for the care of his family. He spoke on the wonderful progress made along the lines of discoveries in electricity, steam, and inventions of all kinds, saying that great as are all of these and wonderful in their effect upon the development of civilization, nothing had ever been discovered or ever been approached that had the same lasting effect upon the civilization of the world as the religion of Jesus, which has stood for twenty centuries and which has withstood the derisions and criticisms of all sorts of skeptics.

In closing he said: "What manner of man are you? It was William McKinley who said, 'He who serves his Master best serves man best, and he who serves truth serves civilization.' Nothing in this world counts for so much as godly living or lasts so long, or wears so well, or is of greater value."

Mrs. Sunday was then introduced, after which President Goldsbury presented Bishop Perry, a personal friend of Mr. Sunday. The Bishop spoke briefly, highly commending the work of Mr. Sunday, saying that Philadelphia is most anxiously following every detail of his progress in Pittsburgh.

The only business proceedings of the day was the election of the following new members: William E. Graham, Equitable of New York; D. Bruce Martin, Provident Life & Trust; P. G. Mooney, Metropolitan.

After Bishop Perry's talk Mr. Rodeheaver rendered, as a trombone solo, "Safe in the Arms of Jesus," after which the meeting adjourned.

Rochester.

A professional spirit or the desire for specialized knowledge is making rapid strides among life underwriters. This was evidenced from the address of National President Ernest J. Clark before the members of the Rochester, Buffalo and Syracuse associations at a banquet held on the evening of the 7th inst., at the Rochester Club, Rochester.

Mr. Clark declared that the broad spirit of service and a large fund of technical knowledge is needed by the successful life insurance man of to-day. To meet the need for this, effort is being made to increase the number of courses in life insurance that are given at colleges and universities. The speaker urged upon the members of the association the need of a new kind of advertising. Statistics fail to interest the public, he said. It is the human interest appeal that goes home, and as one means of securing this kind of advertising he suggested that an effort be made to have news articles published on life insurance themes in the daily newspapers.

The attendance was 164. Of 84 members of the Rochester association 78 were at the dinner. The Syracuse association sent 39 delegates and the Buffalo association was represented by 20.

One of the stunts at the beginning of the dinner was the presentation by the president of the Rochester association to the president of the Buffalo association of a gift as a reminder from the largest association to the smallest represented. The gift was a tin can and the Buffalo leader was not allowed to forget the incident during the evening, albeit he took it good naturedly.

Walter S. Hubbell, a prominent attorney of Rochester, gave an address on what he termed "The Heart of an Insurance Man." He said that the chief qualification for the business, as for any business, was a character that would carry weight beyond anything that one might say and the lack of which would nullify, to intelligent men, what one might say.

Greetings were extended to the visiting associations by

OUR MANAGERS

are co-operating with us in a
REAL PROGRAM
to make every one of our men
EFFICIENT AGENTS!

We are taking up rate books of inefficient men.
We find that by doing this we can
ELIMINATE WASTE TIME AND ENERGY

Phoenix Mutual Life Insurance Company
OF HARTFORD, CONN.

JOHN M. HOLCOMBE, President

THE TRAVELERS INSURANCE COMPANY

HARTFORD, CONN.

Brief Summary of Annual Statement of December 31, 1913.

Total Assets	\$87,767,387
Total Reserves and all other Obligations	77,045,159
Surplus to Policyholders	10,722,228

RECORD OF 1913.

New Life Insurance Paid For	\$56,328,107
Increase in Life Insurance in Force	35,854,992
Accident and Health Premiums	4,944,690
Liability and Workmen's Compensation Premiums	8,135,482
Total Premium Income	22,418,013
Increase for 1913	2,009,231

RECORD TO END OF 1913.

Life Insurance in Force—Paid-for Basis	over \$316,000,000
Total Number of Accident Policies Issued	6,511,000
Number of Accident Claims Paid to Policyholders	632,000

All men are prospects for more than one line of insurance; the agents who can supply their several insurance needs possess the greatest opportunities to increase their incomes.

LIFE INSURANCE. The Travelers, with its remarkable yearly increases in Life Insurance in force, is the leading exponent of GUARANTEED LOW COST LIFE INSURANCE, which is growing most rapidly of all forms in public favor. The Travelers also offers in connection with its life policies a Disability Clause unequaled in liberality.

ACCIDENT INSURANCE. The Travelers continues pre-eminent. Its increase in Accident and Health premiums alone in 1913 exceeded the total writings of many companies, and was greater than its two leading competitors combined.

LIABILITY and COMPENSATION INSURANCE. The Travelers leads in service, experience and premiums.

We offer direct contracts to reliable and successful men, and thereby give them an opportunity to increase their incomes and make certain their future.

ALLY YOURSELF WITH THE TRAVELERS. Share its activity. Profit by its prestige.

Seize the opportunities it offers to develop your business.



Ball Bearing—
Long Wearing

THE IDEAL OFFICE ASSISTANT

An employer hires a bookkeeper, stenographer or clerk to relieve him of—not to add to his cares.

He asks the same thing of his writing machine.

He wants it to "stand up," to do its work, to be reliable, quick to respond, ready for emergency or long continued work.

These qualities make the L. C. Smith & Bros. typewriter prominent in the typewriter world.

The ball bearings at all frictional points place it in a class by itself from a mechanical standpoint.

Viewed from the HUMAN angle, the operators of this typewriter do more work and are less tired at the close of the day. If you look into the matter closely, you can't reach any other conclusion. Send for free book.

L. C. SMITH & BROS. TYPEWRITER CO.

Branches in all principal cities

New York Office: 311 Broadway

Factory and Home Office: Syracuse, N. Y.

Accident and Health Insurance

This Company issues policies which are unexcelled for brevity, clarity and the **Complete Protection** they give policy-holders.

It issues Special Disability Policies not requiring confinement to house for disability from disease, paying for partial as well as full disability, and doubling the accident Weekly Indemnity after the first year. This policy is a winner. Any agent can, with benefit to his other lines, make his expenses by placing this unusually liberal policy with the leading men of his community.

Excellent opportunities exist for agents of standing, who wish to handle policies which completely protect against every contingency and are unequalled in their benefits to policy-holders, to procure direct contracts in territory not now covered.

Inquiries invited.

The Columbian National Life Insurance Company BOSTON, MASS.

Arthur E. Childs,
President.

William C. Johnson,
Vice-President and General Manager.

Farley J. Withington, president of the local association, and responses were made by Frank W. Tracy, president of the Buffalo association, and H. B. Husted, president of the Syracuse body.

Two other addresses of note were made. One was by Royal S. Goldsbury, president of the Pittsburgh association, who told the diners that success in the service they could give could come only through knowing what to do, how to do it and having the energy to do it. The other was given by Glover S. Hastings, superintendent of agents for the New England Mutual.

One of the things suggested by Mr. Clark was a competitive membership campaign between the three cities, to close June 1. He also discussed the non-resident membership, which had been established at the last convention of the National Association in Atlantic City. This is designed, he said, to draw the life insurance underwriters in small towns surrounding those in which associations exist into the benefits of association with their fellows.

St. Louis.

At the recent annual meeting of the St. Louis association the following officers were elected for the ensuing year: James M. Bloodworth, president; W. E. Anderson, first vice-president; W. E. Bilheimer, second vice-president; Earl Layman, secretary; J. L. Hass, treasurer; Frederick N. Cheney, national committeeman; George L. Dyer, W. O. Andrews, Fred B. Miller, George Benham and C. C. Dyer, executive committee.

The constitution was changed reducing the annual dues from \$10 to \$5 for general agents; \$5 to \$3 for agents and a new classification of \$2 for outside agents was made.

St. Paul.

The regular monthly meeting of the St. Paul association was held on the 2d inst. A splendid address was delivered by Senator James E. Denegre, of St. Paul, chairman of the insurance committee of the last session of the Minnesota

Legislature. Mr. Denegre claimed that there is no question demanding more serious consideration than life insurance and the problem of taxation. "The premium tax," said he, "was originally intended to cover only departmental expenses and was purely a licensed tax; but as the business grew and money poured into the State treasuries the tax was permitted to increase and multiply to such an extent that to-day it amounts to on the average of two per cent. of the gross premiums, which is for every thousand dollars of capital invested in insurance the State takes twenty."

The next meeting of the association will be held on March 2, at which time Jerome W. Wheeler, president of the Capital Trust Co. of St. Paul, will deliver an address on the subject of "The Commercial View of Business Life Insurance Protection from a Banker's Standpoint."

San Francisco.

W. H. Matson, of the Mutual Life, was elected president of the San Francisco association at its annual meeting held last month. James S. Osborne, of the Phoenix Mutual, was elected vice-president, and E. W. Armstrong, of the Reliance Life, secretary-treasurer. The executive committee selected was as follows: George B. Scott, Metropolitan Life; R. L. Stephenson, Union Central Life; William J. Bell, Massachusetts Mutual, and C. M. Smith, Northwestern Mutual.

The meeting was held at the Hotel Stewart with a fair attendance. Retiring President George B. Scott submitted his annual report outlining the progress of the association during the year. According to that gentleman, the membership had increased from 57 to 74. Mr. Scott thanked the members for the honor they had paid him and the co-operation they had given him, and in closing introduced President-elect Matson. Mr. Matson stated in part:

"A natural regard for social amenities—a desire to stand well with our fellowman, especially in our own social circle—and a wholesome self-respect based upon a knowledge of right-doing, especially toward those of our immediate associates, have in my opinion accomplished more for the advance-

Sixty-Second Annual Statement
of the

Massachusetts Mutual Life Insurance Company

SPRINGFIELD, MASS.

Year Ending December 31, 1913

On the basis of Paid-for Insurance

INCOME	
Premiums	\$10,881,233
Interest, rents, and all other income	3,770,203
Total income	\$14,651,436
DISBURSEMENTS	
Death claims and matured endowments	\$3,682,678
Surplus returned to policyholders in dividends.....	2,078,192
Surrendered and canceled policies	1,263,635
Total payments to policyholders and beneficiaries	\$7,024,505
All other disbursements	2,524,507
Total disbursements...	\$9,549,012
Total Assets,	\$73,723,812
Total Liabilities,	69,858,186
Surplus December 31, 1913,	\$3,865,626

New Insurance paid for in 1913, 16,357 policies, . . .	\$39,721,961
Insurance in force December 31, 1913, 144,024 policies, . .	328,578,136

GAINS	
In assets,	\$4,197,857
In Dividends to policyholders,	233,502
In new insurance,	530,477
In insurance in force,	21,982,830

JOSEPH C. BEHAN, Superintendent of Agencies.

64th Annual Statement of the ÆTNA LIFE INSURANCE COMPANY, Hartford, Connecticut

MORGAN G. BULKELEY, President

Life, Accident, Health, Liability and Workmen's Compensation Insurance, JANUARY 1, 1914

ASSETS.		LIABILITIES.	
Real Estate acquired by foreclosure....	\$23,825.67	Reserve on Life, Endowment and Term Policies	\$89,334,938.00
Office Building	543,246.17	Additional Reserve, not included above	795,702.00
Cash on hand and in banks.....	3,711,591.87	Premiums paid in advance, and other Liabilities	913,163.61
Stocks and Bonds	35,839,218.08	Unearned interest on Policy Loans.....	269,256.02
Mortgages secured by Real Estate....	56,838,802.47	Accrued Taxes	670,286.53
Loans on Collateral	1,378,559.97	Surplus reserved for special class of Policies and dividends to Policyholders payable on demand and during the year 1914	3,415,071.90
Loans secured by policies of this Company	10,135,945.77	Losses and Claims awaiting proof, and not yet due	716,207.90
Interest due and accrued December 31, 1913	2,267,386.23	Unearned Premiums on Accident, Health and Liability Insurance	2,773,180.03
Premiums in course of collection and deferred Premiums	2,270,899.04	Reserve for Liability claims.....	2,043,564.43
Market Value of Securities over Book Value, less Assets not admitted.....	947,522.18	Surplus to Policyholders	13,025,627.03
Total Assets	\$113,956,997.45	Total Liabilities	\$113,956,997.45

INCOME.	
Premiums	\$19,619,385.41
Interest, Rents, etc.	7,477,693.24
Total Income in 1913.	\$27,097,078.65

DISBURSEMENTS.	
Payments to Policyholders.....	\$14,654,951.79
Taxes	638,629.68
All other Disbursements	7,845,045.88
Total Disbursements in 1913.	\$23,138,627.35

The amortized value of the bonds as provided by the law of New York shows a value greater than the market value above given by \$2,258,420.77.

GAINS DURING 1913.

Increase in Surplus to Policyholders	\$ 1,235,293.88
Increase in Premium Income	1,468,686.71
Increase in Total Income	3,146,719.18
Increase in Assets	3,565,620.85
Increase in Life Insurance in Force	20,608,868.39
New Life Insurance Issued in 1913	\$ 61,641,180.15
Life Insurance in Force, Jan. 1, 1914	355,535,221.30
Paid Policyholders since organization in 1850.....	247,786,602.00

1851

SIXTY-THIRD ANNUAL STATEMENT OF THE

1914

Phoenix Mutual Life Insurance Company

OF HARTFORD, CONNECTICUT

JANUARY 1, 1914

JOHN M. HOLCOMBE, President

RECEIPTS

Premiums	\$5,713,955.45
Interest, Rents, etc.....	1,935,743.67

Total **\$7,649,699.12**

ASSETS

First Mortgages on Real Estate.....	\$21,974,990.00
Stocks and Bonds (market values)....	6,725,692.00
All other Assets.....	7,465,627.72

Total **\$36,166,309.72**

DISBURSEMENTS

Payments to Policyholders.....	\$4,179,705.92
Taxes and Insurance Dept. Fees.....	168,890.19
All other Disbursements.....	1,246,780.31

Total Disbursements in 1913.... **\$5,595,376.42**
Excess of Income over Disbursements **2,054,322.70**

Total **\$7,649,699.12**

LIABILITIES

Reserve on Outstanding Insurance....	\$33,400,061.00
All other Liabilities.....	771,971.16

Total **\$34,172,032.16**

EXCESS OF ASSETS OVER ASCERTAINED AND COMPUTED LIABILITIES

***1,994,277.56**

36,166,309.72

*Should bonds be valued on the amortized basis (the legal standard of the State of New York) this item would be increased to \$2,394,754.56.

Policies issued and paid for in 1913 number 10,740, Insuring \$20,919,574.00.

Number of Policies in force.....	82,823	Insurance in force.....	\$156,316,519.00
Increase for year.....	4,631	Increase for year.....	8,664,194.00
Increase in Assets.....	\$1,870,193.53	Increase in Income.....	421,538.63

GROWTH IN TEN YEARS

Year	Premium Income	Assets	Insurance in Force
1903	\$2,972,417	\$16,960,808	\$ 75,143,735
1913	5,713,955	36,166,309	156,316,519

O. S. ROGERS, Manager, 149 Broadway, NEW YORK CITY

NATIONAL LIFE INSURANCE COMPANY, Montpelier, Vermont

Organized 1850

64th ANNUAL STATEMENT, JANUARY 1, 1914

Purely Mutual

Cash Income

Premiums for Insurance.....	\$6,382,606.25
Interest and Rents.....	2,751,083.76
Considerations for Annuities.....	552,118.36
All other sources.....	3,301.54

Total **\$9,689,109.91**

Assets (Paid-for Basis)

U. S., State and Municipal Bonds.....	\$18,357,049.96
(At Market Value)	
Mortgages, First Liens.....	28,038,775.90
Policy Loans and Premium Notes.....	9,540,079.47
Real Estate, Book Value.....	240,000.00
Cash in Banks and Office.....	636,536.31
Interest and Rents due and accrued.....	1,338,953.19
Deferred and Unreported Premiums.....	790,843.10
Due from Agents.....	5,651.79

Total **\$58,947,889.72**

Disbursements

Death Claims.....	\$1,651,158.08
Dividends.....	1,035,168.69
Annuities.....	539,038.21
Matured Endowments.....	756,027.48
Surrender Values.....	1,233,457.50

Total to Policy Holders..... \$5,214,849.96
All other Disbursements..... 1,475,057.05
Income Saved..... **\$2,999,202.90**

Total **\$9,689,109.91**

Liabilities (Paid-for Basis)

Insurance Reserves.....	\$44,525,359.00
Annuity Reserves.....	5,083,203.00
Extra Reserves.....	165,349.21
Trust Fund Reserves.....	216,294.00
Policy Claims under Adjustment.....	165,825.23
Other Liabilities.....	112,219.21
Taxes payable in 1914.....	173,497.26
Dividends Due and Unpaid.....	54,005.82
Dividends payable in 1914.....	1,193,714.85
Deferred Surplus.....	4,497,590.87
General Surplus.....	2,760,831.27

Total **\$58,947,889.72**

The Company's business experience during 1913 has been peculiarly satisfactory on every count. The gains for the year and the increase in each item as compared with 1912 were as follows:

New insurance on a paid-for basis \$21,919,460.00, increase \$1,534,429.00. Assets \$58,947,889.72, increase \$2,909,021.91. Surplus \$2,760,831.27, increase \$297,153.29. Interest and rents received \$2,751,083.76, increase, \$168,423.63. Premiums for insurance \$6,382,606.25, increase \$204,148.30. Payments to policyholders \$5,214,849.96, decrease \$180,945.86 due to favorable mortality. Provision for dividends to policyholders, payable in 1914, \$1,193,714.85, increase \$183,137.97. Gain in outstanding insurance paid-for basis \$8,889,445.00, increase \$2,103,493.00.

The company's total insurance on a paid-for basis is \$188,354,053.00.

The mortality experience for 1913 was 58.12% of the expected, a decrease of 8.89 points.

The rate of interest on mean ledger assets was 5.10+%, an increase of over 5 points.

All valuations of liabilities conform to or exceed the legal requirements of every state, while all assets have been valued upon a market basis.

OFFICERS.

JOSEPH A. DE BOER, President.
FRED A. HOWLAND, Vice-President and Counsel.
HARRY M. CUTLER, 2d Vice-President and Treasurer.
OSMAN D. CLARK, Secretary.
ARTHUR B. BISBEE, M. D., Medical Director.
CLARENCE E. MOULTON, Actuary.

EDWARD D. FIELD, Superintendent of Agencies.
E. A. COLTON, M. D., Asst. Medical Director.
GEORGE BRIGGS, Inspector of Mortgage Loans.
FRANK A. DWINELL, Inspector of Mortgage Loans.
FRANK K. GOSS, Inspector of Mortgage Loans.

ment of civilization than all of the laws that were ever put upon statute books.

"And in looking over this association's past history and future possibilities, I feel that the same rules must unswervingly apply, and that the same results, in the main, will flow from our intercourse through this association as in other matters of human endeavor; consequently, I believe that 99 per cent. of the good that will come to us individually and collectively through this association movement is embodied in the above principles, and that this good is more apt to be retarded than advanced by the occasional desire of some individual to enact and enforce certain limited rules by which he wishes us all to live and do business, and by which, in the case of such a man, it is pretty fair to assume he is not guiding himself.

"Let us try to get every man who is in the life insurance business in this part of the State into this association, and not try to drive anybody out, and we will then become an organization that has a part in the affairs of our city and State commensurate with the interests which we represent."

In concluding he made reference to the World's Insurance Congress in 1915. "We are right on the beginning," said he, "of the world's greatest exposition, and perhaps no other part of the world will come here in such great numbers in 1915 as the insurance community, and we are going to be measured, not only by our local community, but by the visiting insurance world as well, by the solid front that we put up as an association. Our undertaking and our obligations are too big to be discharged in any individual sense, and we can only hope to make the creditable showing that we should by each individual member pledging himself that he will bury petty grievances for the good of the cause as a whole, and not want to ask every man, now in this association, or that may come into it during the year, to help me and the other officials to make this a year of get-together—a year of tolerance, and predict that at the end of the year many of the grievances that have come up in the past will have entirely disappeared in the aurora of good-fellowship that will be the result."

H. R. Hunter, the retiring secretary, delivered his annual report and told of his work during the past two years. Hon. Warren R. Porter, ex-Lieutenant-Governor of California and president of the Western States Life, was then called upon by President Matson. Mr. Porter thanked the association for the opportunities given to the representatives of the new companies to join the local body.

Francis V. Keesling, second vice-president of the San Francisco Life, was next called upon and declared that his company believed thoroughly in the association movement.

Julian Sontag, second vice-president of the West Coast life, was the next speaker. Mr. Sontag declared that he was confident that the American Life convention would be well represented at the World's Insurance Congress. He also spoke of the efforts of the Association of Life Insurance Presidents and the National Association and the desire to get together for the common good of insurance as a whole.

Garner Curran, of Los Angeles, told of the work of the Los

Angeles association, which had recently made a large increase in membership by admitting the companies' medical examiners.

A resolution was unanimously adopted extending a vote of thanks to retiring President Scott and Secretary-Treasurer Hunter.

An interesting feature of the program was a stereopticon lecture on the Panama Canal and Panama-Pacific Exposition given by Dr. Fisher of the Exposition Company.

Savannah.

At the eighth annual meeting of the Savannah association, held in the office of E. H. O'Connor, the election of officers for the ensuing year resulted as follows: Edward S. Stoddard, president; O. E. Stewart, first vice-president; Aaron Ferst, second vice-president; R. L. Schley, secretary-treasurer. The executive committee is composed of the retiring president of the association as chairman and four other former presidents of the association, Julien Schley, Cornelius F. Moses, Laurence T. Doyle and William J. Harty.

South Dakota.

Endorsing R. J. Woods, of Sioux Falls, for Congress the South Dakota association met at the Cataract Hotel in the evening of Jan. 17 for the annual business conference of the organization and the election of officers. The officers elected were:

President, George R. Douthit, Sioux Falls; first vice-president, Geo. A. Mabbot, Aberdeen; second vice-president, R. J. Woods, Sioux Falls; third vice-president, E. L. Bramble, Watertown; secretary, C. J. Harris, Sioux Falls; treasurer, M. R. Brown, Sioux Falls; chairman executive committee, B. C. Shaw, Sioux Falls.

Following the completion of the business meeting and after the dinner B. C. Shaw, announcing that it was the fiftieth anniversary of the birth of R. J. Woods, the best known life underwriter in the Northwest, outlined "Dick's" work in the insurance business and called attention to the fact that "Dick" is a candidate for Congress from the district. L. C. Campbell, following Mr. Shaw, said R. J. Woods is to be the first insurance man in Congress and called for his endorsement. Every life underwriter present pledged himself to Dick Woods' candidacy.

Southern West Virginia.

At the annual meeting of the Southern West Virginia association, held at Huntington on the evening of Jan. 31, the following officers were elected for the ensuing year: President, Dan H. Holton, Penn Mutual; vice-presidents, D. E. Lloyd, Prudential; H. G. Burchett, Northwestern Mutual; secretary, Walter H. Eager, Connecticut Mutual; assistant secretary, D. H. Alexander, Prudential; treasurer, John Patrick, Penn Mutual. Executive Committee—Chairman, Walter L. Voshell, Metropolitan; C. P. Marshall, Connecticut Mutual; C. W. Cammack, John Hancock; Harry F. Gray, Connecticut Mutual; R. A. Bickel, Home Life; T. B. E. Spencer, Pittsburgh Life & Trust; R. G. Turney, Mutual Life; J. G. Ramsey, Union Mutual.



"Hitch Your Wagon to a Star"

Translated from Emerson to insurance language means tie up with
A Prosperous and Progressive Company

Year	*New Life Insurance.	Total Life Insurance.	Accident Prem'n Collections.	Cash Income.	Admitted Assets.	Act. to Exp. Mortality.	Aver. Int. Earned.
1908....	\$17,820,609	\$100,593,679	\$835,181	\$5,633,124	\$16,100,073	58.96%	5.16%
1909.....	18,232,323	107,245,105	1,007,370	6,164,528	18,429,204	53.50%	5.24%
1910.....	17,986,641	113,882,634	1,276,820	6,750,765	20,765,188	63.90%	5.65%
1911.....	19,702,114	122,514,447	1,515,622	7,445,494	23,363,286	56.85%	5.81%
1912.....	22,378,787	133,309,014	1,739,392	8,199,096	26,243,005	62.28%	6.05%
1913.....	24,088,667	145,040,193	1,944,836	9,079,865	29,338,151	66.47%	6.15%

HOME OFFICE: LOS ANGELES, CALIFORNIA

Syracuse.

The January meeting of the Syracuse association was held on the 17th of that month and several new members were admitted. L. Louis Hanson, superintendent of agencies of the Germania Life, was the guest of honor. Twenty-five members accepted the invitation of the Rochester association for its annual banquet on the 7th inst.

A general discussion was held on the subject of part-time men, but the whole matter was referred back to the executive committee and will be taken up at some future meeting.

Utica.

The Life Underwriters' Association of Utica held a well-attended and enthusiastic meeting on the evening of Jan. 19 in the banquet room over the Seneca Lunch, Seneca street. The annual report of Secretary-Treasurer J. A. Hayes showed that during the year the membership has increased from 11 to 37, and the treasury balance from \$2 to \$61.

The annual election of officers resulted as follows: President, Seymour Hart; first vice-president, W. F. Wallace; second vice-president, Walter S. Butler; secretary-treasurer, James A. Hayes; member of executive committee, James P. Mulhall, the retiring president.

The subject of instalment settlement of life policies was again discussed, led by J. Q. Barcus, of Albany, a member of the local association.

Youngstown.

The regular January meeting of the Youngstown association was held at the Hotel Ohio. President Myron Eckert presided, and there was a lengthy discussion on the education and conservation program of the National Association. A committee, consisting of President Myron Eckert, Leo Guthman, F. B. Hawkins, P. J. Burke and R. L. Hartzell, was appointed and given the power to take action in this matter as soon as expedient. This committee has several plans in view

in this regard following the various suggestions and programs carried out in the larger cities by the Underwriters' associations, one of them being a plan of institutional advertising in the daily newspapers, in which the association does the advertising and eliminates from the ad anything pertaining to figures and the individual companies.

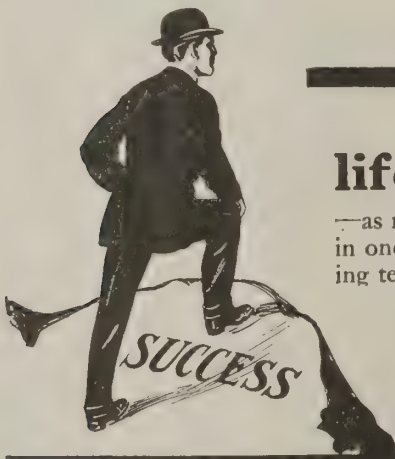
The National Association's annual convention this year will be held in Cincinnati, and in order to assure a large delegation to this convention a Cincinnati club was formed at the meeting, and there will be no less than ten delegates from the Youngstown association in attendance.

AGENTS WHO REPRESENT**THE**

PENN MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

**HAVE AN INSURANCE CONTRACT
TO PRESENT WHICH IN THE SUM
OF ALL ITS BENEFITS IS UNSURPASSED
IT IS BEST NOT JUST ONE WAY
BUT BEST ALL WAYS**

**AND ALWAYS
BACK OF IT IS A SIXTY-FOUR YEAR
REPUTATION FOR FAIR DEALING
WITH ALL ITS POLICYHOLDERS WHETHER
CONTINUING, WITHDRAWING, MATURING
OR DYING**



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Life Association News

OFFICIAL ORGAN OF THE NATIONAL ASSOCIATION OF LIFE UNDERWRITERS

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THE INJUSTICE OF LIFE INSURANCE TAXATION.

WHY SOCIETY SHOULD NOT PENALIZE THE SACRIFICES OF MEN WHO CAPITALIZE THEIR FUTURE EARNING CAPACITY BY BUILDING UP A BARRIER AGAINST THE UNCERTAINTY OF LIFE.

A Burden Carried by the Provident Man as an Additional Price for the Protection with Which He Endeavors to Cover Those Dependent Upon Him.

By United States Senator LAWRENCE Y. SHERMAN, of Illinois.

We consider it a great privilege to reproduce herewith, excerpts from the address which Senator Sherman delivered at Annual Banquet of the Baltimore Association. Our only regret is that provision was not made for a verbatim report. Direct results of the Senator's opinions may be observed in the facts that a proposed bill for the increase of taxation on premiums, in the State of Maryland, has not been heard of since; also the Robertson Bill will probably receive a unanimous unfavorable report from the House Insurance Committee.—Editor's Note.

We read in the proverbs of Solomon, the son of David, King of Israel, the following admonition:

"Go to the ant, thou sluggard, consider her ways and be wise, which having no guide, overseer, or ruler provideth her meat in the summer and gathereth her food in the harvest."

The foregoing was written some time before the present income tax law of the United States. The ant seems to be the only prudent, industrious living thing that has escaped its provisions. It undoubtedly is an oversight, and the meat this industrious insect provides in the summer and gathers in the harvest will be promptly taxed. It is the ant's earning capacity and frugality that the wise maker of the proverbs had in mind. It was the provident insurance against the time when summer should be gone and no harvest at hand, when the animal and vegetable world furnished no support. It was the earliest form of life insurance observed by the biblical sage and philosopher.

Capitalizing Future Usefulness.

Modern life insurance has taken counsel of providing food in the harvest time. The head of a family who has not accumulated income-producing property now capitalizes his future usefulness. He builds up a barrier against the uncertainty of life. He provides a sinking fund against the certainty of death. His earning capacity during his vigorous years is pitted against nature's limitations on human life. His earning capacity is the economic harvest between his maturity and old age. A guarantee against accidents by the immaturity of the young and the disability of the aged is life insurance. It is the matured contract of prudent reflection. The heedless and the improvident did not invent it. Foresight and wisdom patiently gathered statistics. A mortality table was discovered. The laws of human life are its basis. The law of averages was deducted. The first step was taken. Longevity probabilities were reduced to a certain cash value and its purchase price distributed through a period of years and put within reach of the average man's income. Human earning power was underwritten at its present cash value covered by averages of death. It is one of the greatest triumphs of business acumen and financial wisdom in modern life.

Life, by this process, is made stable for the maintenance of

the family and business purposes. It is as essential as the roof that covers dependent ones. It is an expense that every wise man incurs. It is a sacrifice because, in most instances, he himself receives no pecuniary benefit. It is the consciousness that those who rely upon him for support are made secure that sustains him. If this sound belief leads him to secure his family and incur the expense, why should not general society promote, instead of penalize, his sacrifice. General society exercises its influence through the agency of civil government. Therefore, government ought to encourage on insurance contract that secures financial stability to the head of a home and gives a present pecuniary value to prolonged and certain life. The income tax ignores the contract of insurance built on longevity tables and interest rates on fixed investments. Those investments are not the company's funds. It is the trustee of those investments which are the accumulated payments of all who buy insurance and pay their share into the fund.

Taxing Earning Capacity.

The income law taxes earning capacity. That earning power, if it come from mind or hand of the worker, is not a certain source of income. It depends upon the life and health of its possessor. He is unlike income-earning property investments. When his mind and hand are disabled by sickness or death, the earning power of the man is gone. It has been the sole principal. The income and the principal both vanish from the earth. There is nothing to fill this chasm but a life insurance policy. Such earning capacity ought to be exempt from taxation. The life insurance policy covering the loss ought to be made as easy for the man as sound economics will permit.

The income tax law, among other things, provides that the expense of conducting a business is a deduction from the gross income of that business. All interest paid may be deducted. All local taxes on the property employed in the business may be deducted. Machinery, or mechanisms of every kind, may have something taken out for the depreciation in wear and the like. A dynamo or a steam engine wears out. Worthless debts may be figured out. Loss by storms, fire, flood, elemental accidents of all kinds, may be deducted. Rents on property, the possession of which is necessary for

carrying on the business, heat, light, power and the thousand and one incidents of an expense in the conduct of a business may be deducted. The net income after the expenses are taken out are taxable in the hands of either an individual or corporate owner. Suppose a man or corporation manufactures shoes. The machinery, the rent on the building, the heat, the light, the power, the payroll, the operating expenses of every kind, down to the oil that lubricates the bearings of the machinery, are deducted. The wear on the machinery lessens its value. The physical depreciation so produced may be deducted as a part of an operating expense.

Every prudent man insures against fire, explosion, lightning, winds and the like. Casualty insurance against the loss of life or limb in hazardous industries are covered. The premium is a part of the operating expenses. Fire insurance may be taken out in like manner as local taxes. Many thousands of dollars of premium may be deducted from the gross income of the business. The shoes go from the factory to the shoe merchant. He pays rent on his building, clerk hire, transportation, drayage, janitor service, interest on borrowed money to discount his bills, taxes, maintenance of his fixtures, furniture, adding what is necessary, laying off something for depreciation, and all may be deducted as an expense. He may insure his delivery-wagon horse and deduct the premium. The bank in which he deposits his money carries burglary insurance. A burglar is about as disastrous to a well-filled bank vault as death is to the earning power of the head of the family. The bank is allowed to deduct the premium on a burglary policy in computing its net income.

A Great Economic Asset.

We now come to the earning capacity of the individual man. His years of health and strength are the harvest mentioned in the proverb. If he owns the roof that shelters his family, or in which he carries on his business, he may subtract the fire insurance premium from his gross income. He may insure his merchandise and his live stock, and take it out as an expense. If he attempts to insure his own life, the greatest economic asset in his family, the premium cannot be deducted as other expenses are. This government of the people does not permit him to deduct a penny of that premium. The law encourages insuring a horse, and discourages insuring a human being. This happens in an age when some are talking incessantly about social justice. This seems like a legislative sarcasm, but it is a solemn as well as a disagreeable truth.

In England.

By an Act of Parliament June 28, 1853, England permitted life insurance premiums to be subtracted from a person's income to an amount equal to one-sixth of the whole amount of the profits and gains of such person. All the person taxable for an income is required to do is to produce a receipt of this annual payment of life insurance premium, and on proof of the fact to the satisfaction of the commissioner the deduction is made. Under the industrial insurance act of Parliament of 1911 a variety of companies are authorized, upon legislation, to carry such risks. A subsequent act of Parliament of Aug. 7, 1912, entitled the company itself to be exempt from income tax in respect of the income derived from any funds or credits applied in effecting such insurance.

The question naturally arises why States levy taxes on the income of life insurance companies. Every such license fee or burden laid on the volume of business done in effect is a tax. Over \$12,000,000, it is estimated, is levied by the several States as taxes on the insurance companies of the country. This charge is added to the cost of insurance and ultimately must be loaded upon the premium and paid by the person who procures the policy. The great income tax levied upon insurance companies must at last operate in like manner.

Income taxation, therefore, in the last analysis becomes a burden to be carried by the provident man as an added price for the protection with which he seeks to cover those dependent upon him. Some of these enormous burdens ought

to be greatly reduced and some entirely removed. It is difficult to justify much more than a property tax. The income tax is not laid upon labor organizations, agricultural societies, mutual savings banks, building and loan associations, religious, charitable, scientific or educational undertakings. Life insurance is in reality the most intelligent of all forms of organized relief. It enables its responsible source to contribute a certain sum to guard against uncertain events. It is an assembling of resources that, in effect, become great civic agencies to reduce want, to supply funds for public undertakings where large sums are required, and is an aid in the struggle that organized society makes against crime, vice and pauperism. It is a great accumulation of stable investments that is an ally of church and school and public and private charity.

Valuable Assets.

The business system of to-day has no place in it for discourtesy, and least of all is there a place for it in the insurance business, where the agent comes in direct and close contact with men; so close that every word, every motion, even the expression of the eyes and upon the countenance has its bearing and effect.

The manner and bearing of an agent as he comes in contact with his prospect has much to do with the ultimate result. How important is it, then, that the bounds of courtesy be not overstepped. This does not mean any manifestation of servility, because that is as distasteful as is rudeness. An agent can be dignified yet courteous, can maintain his ego yet be suave, be impressive yet pleasant, and by so doing can quickly establish a bond of friendship and confidence that will make of his prospect a client.

There is a species of indirect discourtesy which is almost, if not quite, as fatal as direct rudeness. Personal appearance goes a great way, and the agent who is indifferent in manner, indifferent in dress, unshaven, and careless in appearance, is badly handicapped by such indirect discourtesy.—*Col. G. F. Potter.*

Preparedness.

"No man can succeed in any business if he does not know how, and no matter how hard he tries he will inevitably fail. Learning how to do is preparation work, and this preparing must begin at the bottom. A man who opens a store without any knowledge of the kind of goods he proposes to sell will never make a success, and equally the agent who takes up the business of insurance without any knowledge of its requirements, of the kind of goods he has to sell, must fail of success. No man has ever been able to decide when the point 'well enough' has been reached, and even though it were possible to determine it the 'well enough' cannot be let alone, but must be constantly looked after, bolstered and propped up in order to keep it up to the standard. Every successful man's business bears the impress of his individuality, and success can only be maintained through keeping the impress fresh and making it indelible, which cannot be accomplished through any 'let alone' process. The attainment of the standard 'Well Enough' is through character and clean methods, and business secured through clean methods is the only class of business to which the term 'well enough' can ever be applied."—*Preferred Pilot.*

Insurance is the only way of getting even a partial laugh on death. The ingenuity of man has harnessed death in many cases and has made it a wage-earner for thousands of families. While a man goes on, his insurance policy stays behind and sticketh closer than a brother or a hundred admiring friends. Many a man has left a hundred relatives in this lugubrious vale and has gone on sad and worried because he fears his widow will not be able to command high wages over the washtub. But the man who leaves a \$10,000 insurance policy in a cool, dry place has nothing to worry about but his own future. One of the easiest ways to secure sorrow at one's demise is to become a total loss with no salvage.—*George Fitch.*

LIFE INSURANCE EDUCATION.

Since Everyone Enjoys the Advantage of Life Insurance, or Misses the Protection It Affords, There Should Be a Popular Knowledge of Its Fundamental Principles.

By Willard Done, Commissioner of Insurance, State of Utah.

Commissioner Done is well qualified to speak on this subject, having been a school teacher, an insurance solicitor and a supervising official. His address, which was delivered at the Semi-Annual Meeting of the American Association of Accident Underwriters, is a remarkable exposition of the necessity of a universal knowledge of life insurance. In a few minor points we do not agree with him, and we regret that he has made no mention of the work of the National Committee on Education and Conservation. However, a slight difference of opinion, and what is evidently an unintentional omission, does not detract materially from his argument.—Editor's Note.

A subject of universal application should be an object of universal knowledge. Such a subject is insurance. Since everyone is at some time interested in insurance, and either enjoys the advantage of it or severely misses the protection that should be there but is lacking, everyone should be familiar with its fundamental principles. To learn these principles is to be armed against unsafe schemes and dishonest agents. It goes without saying that these have been largely responsible for the present misunderstandings regarding insurance, and the many serious difficulties in which people have found themselves while considering this subject.

It is clear that everybody should know something of that which is of so vital interest to all. Men in their prime, with lengthened years before them, with every prosperity confronting them, may treat this subject lightly, may discuss it without thought. But what man on his deathbed, facing the inevitable and looking with heart-break at his family left unprotected for and facing an uncertain future, can so regard it? What widow and her orphans can view with anything but alarm the inevitable want that will come to them? To no one of these is the subject of slight moment. To such indifference is impossible. Either they enjoy the protection or they do not. The difference is almost the same as between life and death, independence and beggary.

Hopeful Sign of the Times.

Yet men approach this subject in a flippant or antagonistic attitude. There is only one thing that will contribute to a different approach and that is education.

I am glad that insurance education is receiving universal attention, not only from insurance men and others directly interested, but from educators and the general public. It is a good omen. I welcome it as one of the best and most hopeful signs of the times. We should all pledge our best efforts to further the movement.

It seems to me that we have been approaching this matter of insurance education from the wrong angle. So far as I know there has been no concerted attempt to popularize the subject. Text-books written and courses prepared have been of, for and by insurance companies and their present and prospective representatives. While it is very desirable that these books and courses shall be by insurance experts, the results of their work should be for the people. We have been treating this great subject from the actual and the technical side, and I believe that it is time for us to approach it from the popular side.

For example, there is the justification for insurance; its essentially co-operative character; the fundamental fact that practically all insurance is in the last analysis mutual in character. There is also the fact that instead of the policyholders

and the company being at war the policyholders are indeed the company and the company means the policyholders. Then the fundamental principle that losses make rates, policyholders make losses, and therefore they are the only ones who can reduce rates. Impress the fact that burdens added to the company through excessive expenses, undue taxation, etc., are really burdens added to the insuring public; that there is no such thing essentially as profit in the insurance business, as the word is generally understood, but that it is merely a system of collection and distribution, under proper safeguards of organization and legislation; that the interests of one are the interests of all; the injury of one the injury of all.

Other fundamentals can also be taught. The law of average, on which all insurance is based, must be made the foundation. The immutable law by which happenings in great number are regulated almost to a certainty is most fascinating to the child fond of research. The theory of probability, simplified so as to come within his understanding, will appeal with resistless force to the young person of mathematical mind. I have found the application of this law to losses in fire, life and miscellaneous insurance one of the most interesting of topics to present to the young.

Essentially Co-operative.

The essentially co-operative character of insurance as a business, because it is based on an exact science, can next be made impressive. The young should grow to manhood not with the idea that the insurance company is an immense, greedy, destructive octopus, strangling and devouring the hapless public, but with the thought strongly impressed that it is composed of fellow-insurers, each contributing small amounts to a common fund, from which are taken the larger payments made to the small number who suffer loss. Let them know that this is the case, no matter what kind of insurance is involved. As a corollary to this truth will come the thought that if one would diminish his contributions to this fund he must help lessen the losses, and lo! the whole great and magnificent subject of conservation is introduced!

The sociological and economic side of the question can be impressed. The youth can be made to know that pauperism, dependency, helplessness, poverty and a host of similar ills are prevented by wisely selected and carefully continued insurance, of whatever kind. Teach them that there is no finer system of philanthropic finance devised. Make the impression so strong that when the high official of a great insurance company says, as one stated in the New York investigation of 1905, that insurance is essentially an eleemosynary institution, the statement will be greeted with approval and not with derision. For the words this official uttered were true, and have been proved, and should be impressed and accepted.

People Should be Informed.

These things have been earnestly advocated in addresses by insurance executives and others, but these addresses, with the valuable lessons they convey, have not been brought strongly and effectually before the general public. They have been used for limited distribution among insurance people, but they have not reached the great common people. Yet the common people should know these things. They are part of the fundamental principles underlying all insurance. No man can really understand the technical details of the science of insurance without knowing these things.

Hence my idea is to start this movement with simple elementary instruction on these and other fundamentals, with the school children, even as low as the eighth grade. The work should be prepared so simply that the teacher of the eighth grade or the high school or the business college, though entirely lacking in technical insurance education, can take the work up with the student and get at a proper understanding of these fundamentals. The only place where this has so far been attempted is in the text-books prepared by some of the large life insurance companies and distributed to their agents. Here the right idea has been caught and followed. What is needed now is general work of a similar character properly

simplified and amplified for universal use. It is a matter partly of text-book and partly of teaching, the one dependent upon the other.

Let the boy be taught to realize that the only method of saving effectual with the average young man is the systematic and persistent payment of life insurance premiums. Teach the girl the advantage of insuring her own life. Teach her also that when she becomes a woman she must not regard her husband's first life insurance policy as his death warrant, but as a warrant of future safety and independence to her and her children. Teach the future business man the indispensability of insurance in every incident of his business career.

Growing out of these are many valuable elements. Conservation with all its diverging and converging lines is one of these. The personal element in fire prevention, accident prevention and life extension will be properly manifested. Previous treatment of these has been too impersonal. I am not so much interested in what the nation loses as I am in what I lose or my neighbor loses. Scrooge could speak very glibly about death reducing the surplus population until application was made of his general remark to Tiny Tim, the crippled child of his own clerk. So we may speak very glibly, with perhaps a certain pardonable pride, of the great fire loss and accident record and homicide record of our country, but when my neighbor's house burns or he is injured or dies the personal element enters and I see how this general loss is after all of special and local application. Then let it be understood that my fire insurance rate and my accident insurance rate is high because somewhere, perhaps everywhere in this great nation, fires and accidents are occurring when they should not, and I am going to join the general movement to reduce them. And I shall be very insistent that my neighbor shall be as careful in these respects as I.

Insurance Long Misrepresented.

Let these fundamentals be impressed with vivid strength on the minds of growing children; let this and future generations grow up side by side with these vital ideas, and you will find the material and moral welfare of our future citizenship greatly enhanced.

Insurance has long been misrepresented through the various media of publicity. It is now time for it to be represented. A course of study in vindication and justification of insurance is now necessary and opportune. If the present generation has been trained up in ignorance and antagonism, future generations must be trained in understanding and friendliness. While the mass of insurance text and teaching is so great as to be overwhelming, and as valuable as these treatises and treatments are and have been, they lie on library shelves or live only in highly technical institutions. They can and must be adapted to the mass, to the many. Insurance is not a subject for the few or the class. It touches too intimately the lives and fortunes of all to be restricted to any certain number.

Legal Reserve Insurance.

Why are assessment insurance advocates heeded in their attacks on the old line system? Because the public does not understand the fundamentals of legal reserve insurance. Why do demagogues succeed in inflaming the public mind by declaiming against the "immense accumulations in the hands of life insurance companies in Wall Street"? Because the people have not been told that without these reserves belonging to the policyholders and administered to their interest every company would be bankrupt. Why are men so fearful of the possible misuse of these funds to the detriment of the common people? Because they do not understand the strict regulation of these funds and their custodians by the laws of 48 States. Why has sectionalism been encouraged and fostered by unscrupulous agitators and promoters in the sacred name of insurance? Because people have not been given to understand that insurance is so general that it belongs to the people as a whole and not to any locality.

Why do gentlemen meet with the unfair competition of or-

ganizations which appeal to members to carry their own insurance and save the expense of company management and State supervision? Because the people do not know the difference between present and permanent solvency, and the manner of preserving this by strict supervision, financial skill, and reserve accumulations. So shall the citizens of the future be induced to approach this subject from a friendly, not an antagonistic standpoint. So shall the propaganda of the agent be made easier and more fruitful. But this work of advertising and teaching will never supersede the agent. Him we shall always have with us. He will always be, a necessary adjunct of the business. He is the point of contact between the company and the public. If there is no point of contact between the dynamo and the machine, no direct power is applied, no effective current passes. So your effective insurance current is cut off or fatally weakened without the agent. And by the same token this point of contact must be bright and clean, and tainted or tarnished.

Will this educational work reduce percentage of commissions paid to the agent? This may be possible if the volume of business is increased. Both of these are desirable conditions. Both would be welcomed. They are of value and fully in line with economic improvement.

Fitting the Policy.

Much has been said of late about fitting the policy to the policyholder. While reference has been made chiefly to life insurance, the arguments advanced have some weight and apply in some degree to fire, accident and other lines as well. There are misfit policies of accident and health and liability and fire and other forms. These cause most of the trouble that arises in the relationship of the policyholder to the company and the agent.

Not much and therefore perhaps not nearly enough has been said in this discussion regarding the importance of educating the insured to know the class of policy best suited to his needs. If men can be trained to choose wisely their life, health, accident, liability, fire and other policies of insurance, they will cease to be blindly dependent upon agents who, no matter how well meaning and honest, can not be fully advised as to the conditions and needs of prospective clients. The physician who prescribes medicine must first become intimately acquainted with the symptoms and the entire physical condition of the patient. His diagnosis depends upon this intimate knowledge, and his prognosis and prescription on the diagnosis. It would be considered criminal malpractice for him to make a haphazard guess as to the disease and blindly prescribe a remedy.

So with the lawyer in advising his client. He must spend, if necessary, weeks or months going into the intricacies of the case to be assured that he is making no mistake in the advice he gives. If he fails to fit the advice to the case he also is open to the charge of incompetency.

Advantage to the Public.

Yet because an intimate knowledge of a man's insurance needs cannot always be gained by the agent, his professional treatment of the case may be faulty. This is evidenced by the fact that many men find their policies poorly adapted to their needs. Because of the small amount of commission involved and perhaps the element of competition and the impossibility within the short time allowed for the agent to become intimately familiar with surrounding conditions, it is found rather difficult for him to fit the policy closely to the applicant's needs. Hence the advantage that must accrue when the man himself can intelligently choose with the help of the agent the policy best suited to his condition, which he necessarily understands much better than he can explain it even to the friendly and sympathetic physician of finance, the insurance man. And the difficulty in which the uninformed prospect finds himself is magnified when he is surrounded by a number of agents, each clamoring for his particular company or policy.

I have found in my experience that the twister in life insurance and in accident insurance frequently excuses himself

the ground that the policy he is helping to lapse is poorly adapted to the man's needs. And here is his most fruitful field. I think that most of the work of this gentry would be prevented by a fundamental knowledge on the part of the insured of the principle on which his insurance is based. There is another light so effectual in discouraging this form of piracy that which streams from the enlightened mind of the insured victim.

It may seem a little presumptuous for me to make a suggestion somewhat parallel to what has been cited. It often happens that the young man, ignorant of insurance and yet anxious to secure its greatest benefits, goes to the successful farmer or merchant or lawyer or doctor for advice on the subject. You who have had experience, especially in life insurance, know that the average person of the classes named needs a little, a *very little*, knowledge of insurance. Pope says: "Little knowledge is dangerous." It is especially so if the knowledge is of the wrong kind. It has occurred to me that in the young seeker after insurance guidance goes to one of these prominent men he is about as wise as if he went to a banker for medical advice or to his merchant for legal advice.

A Little Knowledge Dangerous.

For he is likely to gain only the point of view of the one who seeks, and that will probably not be the insurance point of view. He may get the idea that low cost is the ultimate desideratum when in reality it may be the least desirable of all elements connected with the subject. At any rate, he runs the risk of finding a man poorly equipped to aid him with counsel. To use such men are prominent, they are likely to be used (recently perhaps) by unscrupulous promoters of question-bag schemes of insurance as decoys for less prominent persons. And their advice will probably be colored with that of the promoter. At any rate, it cannot be highly professional. With universal insurance education fewer men will allow themselves prominence to be thus misused and fewer persons will blindly follow such leadership.

Hence will come this demand for insurance education? It cannot come with so much grace from interested as from disinterested sources. For the insurance company or the insurance agent to be its strongest champion is to give ground to the suspicion of selfishness. For no matter how much they may try to inculcate the truth that insurance is essentially cooperative in its character, there will still be many among influential who will regard with suspicion and hamper with opposition the attempt on the part of companies and their representatives to establish in the schools and elsewhere courses in insurance teaching.

The Insurance Commissioners.

While, therefore, representatives of the companies can help, initiative must be taken by those not so directly interested, and this is to meet with a high degree of success. I know of no class of men better situated to lead this movement and more interested than the insurance commissioners. They occupy a unique ground. They are representatives of the people, but at the same time they represent them only so far as they are interested by the insurance companies. The reason for their disinterest is the existence of insurance companies, which have dealings with the people, whose servants the insurance commissioners are.

This disinterested relationship peculiarly qualifies the commissioners to establish the need of insurance education and determine its character. They cannot be justly accused of having a great interest in the companies' welfare, and they must have a certain interest in the people of their respective States. Since they are disinterested and yet honestly and anxiously anxious that their people shall understand, and not misunderstand, the great institution on which so much of public and private welfare depends, they would naturally be

regarded as those best fitted to take the lead in this important movement.

Hence the great significance of the occasion when the able commissioner, Hon. J. A. O. Preus, of Minnesota, delivered an address last year before the national convention of Insurance Commissioners, in which he urged those officials, individually and collectively, to do everything in their power to secure the establishment of courses in insurance in the schools of the various States.

The insurance journals can be of great assistance. I am glad to see the assistance they are giving to the movement, because it fits with my idea and gives clear and striking expression to a fundamental truth.

To summarize: There is need of insurance education. It must be popularized. The child must be taught insurance in order that the man may know how best to insure. Enlightenment must be our protection against malice and ignorance. The movement for insurance education should be fostered by insurance commissioners, insurance journals and insurance men, and your own splendid organization may well take a leading part. And the result we may confidently expect is enlightened public sentiment, reduced burdens, satisfied policyholders, friendly supervision, effective conservation and the co-operative effort by which all good is accomplished and every right established.

Commissioner McMaster on Competitive Literature.

We have from time to time given considerable attention to the use of competitive literature by companies and by agents. This is a phase of field work which frequently is brought to the attention of State supervising officials, and generally the rulings given point to the abuses which follow in the wake of unfair or misleading comparisons. The most recent utterance on this subject is from Commissioner McMaster, of South Carolina, who has expressed his views on the subject to companies and company representatives operating in his State. It has been suggested by a contemporary that the text of Mr. McMaster's letter might well be taken by the National Association as an ethical platform governing competition. The Commissioner said:

"To the Company or General Agent, Addressed: Most earnestly do I seek your co-operation in enforcing not only just treatment of all companies licensed in this State, but also only wholesome and courteous competition as between the agents themselves, to the end that solicitation of insurance may become indeed a profession.

"The purpose of this letter is to try to put an end to the use of so-called competitive literature and comparative tables. An insurance agent in South Carolina is licensed to work for a particular company; he is not licensed to work against any other company.

"If any company licensed in this State, on account of weakness, bad management or past conduct is not worthy of the confidence of the people of the State, the first information should come to the Insurance Department, to the end that the license of such company may be revoked and the people protected from it. If such showing cannot be made as would warrant the revocation of the license of the company, then it may be asserted that the use of competitive literature or comparative tables, creating distrust and suspicion of such company in the minds of citizens of this State, is unwarranted, and, under the law, may be denominated as wilfully deceiving and dealing unjustly with a citizen of this State, which, after hearing, would require revocation of the license of the agent so doing."

A Man's Work: Not a Boy's.

These are beautiful spring days, and it is a temptation to come to stick around home and dig in the garden; now, a garden is all right—you can get a boy for a dollar a day to do that work, but you can't get anyone to write business for you for a dollar a day—that's your work.—E. C. Budlong.

REACHING OUR IDEALS.

The Standard Set by Others Not the One We Should Take For Our Ambitious Ideals. Man a Master of His Own Destiny.

By Charles J. Rockwell, Field Supervisor, The Edward A. Woods Agency of the Equitable Life Assurance Society, Pittsburgh, Pa.

In every line of endeavor, profession or business there is a certain standard of visible results fixed for us to accomplish, whether by mental or manual labor, to exceed which marks us as successful, and to fall below which stamps us failures. This standard is not one of our own making or choosing, but is set for us by others, and is based upon three things: possibilities, comparisons and expectations. The possibilities of the profession or business, the possibilities of our territory, the comparisons with others now engaged in like work under like circumstances, and the expectations others have of us, knowing our ability and the possibilities. And the insurance business is no exception to this rule. There is a standard set for us by the things I have named; and this we must measure up to, as individuals, or fail in the estimation of our peers.

Mental Attitude.

But, having the right mental attitude, we may fail in our own estimation, even though others know it not, thinking we have accomplished the standard they have set for us. Because the standard thus set for us by others is neither the one we *should* take for our ambitious ideal, nor the very minimum imposed upon us by our bare necessities. Therefore, though we exceed our minimum, and equal our implied standard, we still fail when, knowing more intimately than others can our possibilities and our ability, we fail to reach our ideal. Such a failure, if we have set that ideal upon the pinnacle worthy of it, is a glorious one. A striving for an ideal unattained is elevating ethically, profitable materially, and strengthening professionally in its results; but a failure to reach the standard automatically imposed upon us, by having entered a certain field of endeavor, should be, *and is*, a shame.

How to reach *this* standard is not the purpose of what I have to say; I would project your ambition beyond that, toward the ideal; toward what you would like to be; and, if possible, assist you in the endeavor to exceed it, professionally and practically, making of you, instead of standard and sub-standard men only—just good enough to pass muster—luminaries of a higher magnitude of brilliancy, successes to be admired and pointed out with pride, not to mention the more sordid basis of measuring success in acquiring larger worldly possessions.

A Master of Destiny.

"As a man thinks so he is"; not master of his ultimate destiny entirely, it is true, but to grow upward and outward we must think upward and broader; cultivate this mental attitude within ourselves and impress it on others. But we cannot do it within ourselves; the influence must come from without, and be assimilated by us, and be nurtured within us. We must give ourselves over to a fuller realization of the magnitude of the possibilities afforded by our profession; awake to a conception of its aims, ideals and works, and observe the accomplishments and methods of others whom success has marked for its own.

I know of no other profession (for our calling is a profession) in which professional attainment and personal profit march so closely hand in hand. The doctor and the lawyer, after long and expensive years of collegiate preparation, must wait with gnawing impatience the chance opportunity to prove and profit by their knowledge, and its extent may never be tested nor rewarded; the banker serves an apprenticeship of long study, and, for lack of financial backing to mature what his training has taught him, dies poor; but the insurance man, as his professional education grows and further equips, turns

it to greater and immediate profits. He is free to seek clients, tender his services and demonstrate his knowledge if he has it, and the profits follow quickly. This being an undeniable fact, it is established that a higher education is mental to maximum success.

In what does higher education in our profession consist? In a closer acquaintance with our rate-books and our company? To an extent, yes, but not too much. Our rate-books are nothing but tabulated price lists of remedies for human problems, and a constant study of them is no more fitting for high professional attainment than the constant study of a drug catalogue would make us a physician. Not all that is good and perfect and noble is contained within our own group company, grand though it is; such study is narrowing.

Our Field of Growth.

Our field of growth is within ourselves; our hopes, and our ambitions; our studies must be our fellowmen; their problems, responsibilities and objectives. Our usefulness broadened only in the proportion that our ability to conceive, understand and solve the problems of our fellowmen is increased, and our ability to assist them grows with our ability to better plan with them, and for them, higher ambitions and ideals to reach, and to guarantee their success interrupted by death. Only the amateur insurance man is content to take the business lying on the surface of the field; that crumb which unthinking men let fall from the table of their present plenty to be nurtured for the future need of their families. The educated professional insurance man plans with his client for a life financial program in which the cornerstone is a guarantee policy of insurance, assurance of ultimate completion. This cannot be hastily nor ignorantly done; it takes time and thought and must be the outgrowth of education and experience, and its ultimate result is mutual satisfaction. Satisfactory service to client and satisfaction to the advisor.

This is a peculiar calling, this one of ours, and the man who would be successful in it must develop a dual personality. He must at once be an idealist, a dreamer, a self-starter, a professional man and a reformer; without failing to be practical, a forceful personality, a banker, lawyer or salesman. But as material success so closely follows on professional attainment we may safely develop the latter without danger of loss in the other.

A New Desire.

I would then suggest, without losing sight of that standard which is fixed for you by others, and which you cannot evade, that you dedicate yourselves and your minds to the following of ideals; that you create for yourselves a new desire; that you loathe the ordinary and strive for a higher plane; that you take a fuller appreciation of your possibilities for doing greater things; that you grasp every opportunity afforded you to pull yourselves out of your comfortable rut to the high plane of restless ambition; that you realize that you are not merely a salesman; that this is not a money-making scheme; that it is not sordid in its aims, but that it is a grand national movement for the conservation of wealth and happiness, the guarantor of success in cherished hopes, the foundation of financial programs, while never failing as the protector of the homes and the morals of the widows and orphans; that you are its representative.

May you measure fully up to its ideals, its possibilities; may you prove competence to apply its services, and prove example your worthiness and the success of its teachings. May your education be broadened your opportunities for being of service will multiply; as they multiply, and as your income compels the tender of your services, and your training teaches you to demonstrate their value, more and more will you be sowing the seed of thrift where wastefulness grew, making dignity in the place of selfish indifference, making for high ambitions in your community, reckoned as a man of affairs and influence, and showered by the blessings of those whom you have faithfully well served.

SOME CURRENT LIFE INSURANCE PROBLEMS.

Pertinent Discussion of Important Topics from the Viewpoints of the State, Company, General Agent, Solicitor and the Public.

By S. Epstein, Commissioner of Insurance, State of Colorado.

Commissioner Epstein delivered this address at the Annual Banquet of the Utah Association. In it you will find nothing startling or sensational. It is a honest study of questions which must be solved and it will broaden your outlook by giving you an idea of the various phases of the profession which are brought to the attention of supervising officials.—Editor's Note.

The average citizen does not realize the vast importance of insurance in our modern business, economic and private life. Without insurance, business would be almost at a standstill, industry could not thrive, and the dependent portion of the population—women and children—would have but a dreary prospect before them if the father and bread-winner should

die. From some points of view insurance is a great, unified, whole. From other points of view it is as detailed and varied as the most complex living organism known to biology under powerful microscopes and by the most subtle chemical analyses.

It is not my purpose this evening to talk to you regarding insurance as a whole, nor is it my purpose to go into the minutiae of the business. I shall try to find a middle ground to discuss the situation from three points of view: (1) from the point of view of the State; (2) from the point of view of the company; (3) from the point of view of the individual.

THE STATE.

Taxes Should Not be Increased.

What are some of the leading insurance problems before the State? Ask the politician and he will tell you: "Raise the taxes." Ask the enthusiast and he will tell you that the State should require from the companies more detailed statistics and more frequent reports. Ask an office-seeker and he will tell you: "Curb the corporations." But none of these is right. The taxes on companies are already too high. Every dollar taken from a company means a dollar less returned to the public in the form of dividends, in the form of paid-up insurance. Insurance taxes should not be raised—they should be lowered. The enthusiast is wrong, too. We do not need more statistics and more detailed information. Every question you ask a company means a salary to a clerk and perhaps to a fully paid actuary. Every time the commissioner writes a letter to a company it means an expense to the policyholder. The requirements of States are too numerous, and frequently nonsensical. Proper supervision is needed—even rigorous supervision is needed. But it must be scientific supervision, well thought out, methodical, effective. Supervision of this kind we have, but unfortunately we have also haphazard supervision—supervision which is not methodical, which is not well planned. This latter sort of supervision must be improved.

So many people seem to think that an insurance department exists for the purpose of burdening and repressing insurance companies. This is not the case. Insurance departments exist for the purpose of helping and guiding and aiding insurance companies, so that they can give better and more efficient service to their policyholders.

An insurance company is a public servant—a public servant in the highest sense. It averages up the inequalities of human life. While the State must see to it that irresponsible com-

panies and fake concerns are eliminated, it must, on the other hand, see to it that the good and reliable companies are encouraged and assisted in the fulfillment of their public functions.

The office-seeker who shouts, "Curb the corporations!" is a biased individual. He sees the world through colored spectacles. True, there are many corporations which have needed curbing, but this does not apply to the standard insurance corporations of to-day. Corporations are like individuals—some men are good and some men are bad, and some men are neither very good nor very bad. Some insurance companies are good; these do not need any curbing. Some are bad, but there are not many of these, and they must be reformed. Some are neither very good nor very bad, and these must be helped to come within the fold.

As I look over the list of the 362 companies operating in Colorado I find that fully 350 of them are in good shape and deserve the commendation of the State Insurance Department. The remaining ten or twelve are on the road to becoming excellent companies, and with proper help and encouragement will make good.

The Sherman Anti-Trust Law.

You see, therefore, from these figures that insurance companies should not be classed among those organizations which are being fought by the national government under the Sherman anti-trust law. And, indeed, I am glad to be able to say that no one who knows anything about insurance takes this position as regards insurance companies. This attitude, so far as I can see, is without justification, and exists only among professional reformers and professional politicians.

II. THE COMPANY.

What are some of the leading problems before the life insurance companies? The number is vast. One could spend an hour in enumerating them without making a single comment on any one of them. I shall, however, select a small number and say but a word on each.

(A) Legislation:

Every time the Legislature meets the companies are compelled to exercise vigilance—to safeguard themselves against radical, unwise and harmful legislation; harmful not only to the companies, but through them to the public.

In a larger sense the companies have a constructive problem before them in the way of legislation, namely, to secure uniform legislation in the several States, and thus to avoid the numerous variations in the requirements of the different commonwealths.

(B) Agents:

The Viewpoint of Agents.

Every company is striving to secure a better class of agents. Some of them even conduct training schools for their agents. It is an ever-present problem to develop the agency forces of the companies.

(C) Policy Loans and the Consequent Lapsing of Insurance in Force:

This problem cannot be overlooked and is one which must be met. True, the companies have themselves somewhat to blame for this, by permitting their agents in the past to educate the public on the opportunity of borrowing money on insurance policies. However, it is useless to discuss "what might have been." We must not look to the past; we must turn our eyes to the future. The evil of policy loans must be brought under control.

(D) Conservation:

The problem of conservation of life and health is an important one, and is receiving more attention every day from the companies. It is a large problem and involves questions which at first seem to have little connection with an insurance company, but which are in reality vital to the business and of untold value to the public at large.

(E) Investments:

The question of investment of assets is an ever-present one. Which securities are safe—which are unsafe? What is the

interest rate? Which securities are readily marketable? Should one lend on city property or on farms, or on both? Should the market value or the amortized value be reported? And so on.

(F) *Group Insurance:*

Is group insurance a good thing? Should it be universally adopted? How should it be applied, and how operated?

I ask your indulgence for not commenting on this topic. On Monday, upon my return to Colorado, I am to make a formal address on this subject. Further, it is not necessary to speak on this topic in Utah. Your own commissioner has written on it. The best analysis I have ever seen of the subject of group insurance was the one published by Commissioner Done last summer.

III. THE AGENT:

The problems of the agent I shall take up under two sub-headings—the general agent and the solicitor.

The General Agent.

A good general agency is almost an insurance company in itself. Its problems are as numerous and as varied, its troubles and difficulties as great. The general agent must be a man of character and of force. He must not only be well versed in insurance; he must be a student of men, a financier, an organizer, a man of tact, and a man of talent.

He must know how to organize and maintain an office; not merely an office which will run smoothly while he is present, but one which will run even when he is called away for days and weeks at a time. He must be able to sell insurance himself. He must know how to organize a field force; and when it is organized he must know how to conserve and maintain it permanently. He must know how to take the young, green recruit and teach him to become an efficient insurance solicitor.

He must teach his men not to knock their competitors—to work in harmony with the other insurance men. It does not pay to knock a competing company. It does you credit to think that yours is the best company in the world, but down in the bottom of your heart you know perfectly well, if your general agency were canceled and you received a general agency for another company, you would be equally loyal to it and you could just as conscientiously recommend its policies. Knocking is wrong, and is not and cannot be sincere.

The general agent must teach his solicitors the enormity and futility of rebating. He must convince them that twisting is wrong and that misrepresentation is criminal. He must be able to impart to his solicitors the knowledge how to fit a policy to the needs of the applicant.

What every general agent wants is business—quality and quantity, but quality first. Business which does not stick is not only worthless, but it is a distinct loss. The greatest asset to a general agent as well as to a company is a satisfied and contented policyholder. The general agent must, therefore, be able to get business himself; to teach his solicitors how to get business and to be able to conserve the business which has been acquired. To do all this requires qualities of a high grade. A good, successful general agent is, and must necessarily be, every inch a man.

The Solicitor.

Probably the best way to rise in the insurance business is to begin in the field, rate-book in hand, as a solicitor. The problems of the solicitor are different from those of the State superintendent, from those of the company, and, in a lesser degree, from those of the general agent. But if his problems are different, they are none the less strenuous and important. While all are needed—State supervisor, company, general agent and solicitor—I am of the opinion that the solicitor is the most important of all. It is the solicitor who gets the business; he is the original producer—the man with the hoe. Without him, and without the personal soliciting of the general agent, company executives would have nothing to do, commissioners would have nothing to supervise.

A good solicitor combines many qualities. He is an educator, for he educates the public to the need of thrift, of protection, of economy, of looking into the future and facing, with vision, old age and death. He is a preacher, too, for he preaches the gospel of insurance; he preaches on the duty of protecting those who are near and dear against the death of the family bread-winner. He is a manufacturer, for his work is creative; he creates the want for insurance in the mind of the prospect, just as a manufacturer creates a finished article from the raw material. He is a newspaper man in sense, for he collects and disseminates insurance news; he collects the current events by actual observation in the field and he spreads about the news if a company is weak, if it is insolvent, if it is remiss in the payment of claims. He is a salesman, and, as you all know, a salesman of the highest grade. One can get a good job as salesman for any kind of firm if he merely proves that he has been successful in selling insurance. He is a psychologist, too—a practical psychologist for he must be able to read men's minds and guide their thoughts along the lines he has mapped out. It requires considerable understanding of psychology and human nature to "close a case."

Conclusion.

I have discussed a few of the current problems of life insurance in a brief manner. Some of them are permanent problems and some of them are transient problems. The discussion has been from the point of view of the State, from the point of view of the company, from the point of view of the general agent, and from the point of view of the solicitor.

Were I the only speaker on the program and had a greater amount of time at my disposal I should be glad to talk at length on the problems of insurance from the point of view of the public. In reality, however, I have already done so implicitly if not explicitly. The interests are all interwoven and identical. If the State supervision is faulty, the public suffers. If the State supervision is good, the public gains by it. If a company is badly conducted, the public suffers. If a company is well conducted, the public gains by it. If an agent is a rebater, a twister, if he makes misrepresentation, the public suffers. If he is honorable, straightforward, conscientious, the public gains by it.

For these reasons it is apparent that, in discussing the problems of insurance from the points of view already enumerated, I have been in reality discussing them from the point of view of the public and with the public welfare in mind.

Service.

That life insurance is something much more than a mere business out of which a group of men make their livings is a notion that is showing remarkable vitality and growth. General ideas of this character become public opinions only very slowly, but thereafter exhibit great tenacity. The day has passed when a life insurance company was judged by its size; it is passing when judgment is solely based on how cheaply a stipulated sum can be paid at death. The time is rapidly approaching when a life insurance company and the life insurance business will be judged not only upon its financial strength and efficiency in reducing the cost of insurance, but also upon the skill with which its managers are able to meet the legitimate social and business needs of the public.—*Field Notes.*

Don't Build Up by Tearing Down.

Success that is worth anything must come as the result of one's own efforts, and not at the expense of someone else's. Successful business enterprises are seldom built up by tearing others down. When a person allows deceit to become a part of his working capital, all that is good in him withers and dies. A man who deceives others, deceives himself, and he who undertakes to secure a great fortune regardless of HOW is his own worst enemy.—*V. I. M.*

"AS LONG AS SHE MAY LIVE."**Keeping Abreast with the Times by Paying Attention to the Necessity for Life Income Insurance.**

By H. C. Fetsch, General Agent, Pacific Mutual Life Insurance Company, Portland, Ore.

In connection with the march of progress that we are witnessing to-day I am going to take the liberty of asking ourselves this question: Are we keeping abreast with the times? After some thought I am forced to give the following paradoxical answer: We are, and we are not. We are in so far as the individual companies which we represent are concerned, but we are not in so far as our own individual efforts are concerned. This, I admit, is a serious rebuke. Is it justifiable? I think it is. Pick up any of the leading insurance journals and you do not have to turn over very many pages before your eyes will meet these words in bold type: "Gentle reader, do you appreciate the full value and urgent need of the application of the idea of income insurance? Do you hear the urgent cry for better protection and lasting protection to the insuring public?"

Income insurance is not altogether new. We have had it for some 20 years past, but we have been asleep. If not, why this clarion call and concentrated effort to sell real life insurance, this new family service of life insurance? Insurance men sold the old forms in the past because they and many of the companies knew no better. Now, however, with his new service we haven't that excuse. We usually sell that which we understand and which we believe in. We have only lately begun to understand the income feature of life insurance. It is reported that one of the big life insurance companies has followed up its death losses of \$5,000 or more. The result of this investigation brings out the astounding fact that after seven years 90 per cent. of the beneficiaries have lost or spent the entire proceeds of the insurance, and in 10 years' time all, or 100 per cent., of the beneficiaries have lost or spent the entire proceeds.

Three Types of Insurance.

In this modern age we have all the types of insurance. Foremost of all—life insurance. Then follow fire, health, accident, marine, boiler, plate glass and many others. And now we add another which I am pleased to call *insurance* insurance. In other words, we can now insure insurance. This is the income policy. Lump sum insurance is no longer the real thing for family protection. The new service is here. It begins where the old service left off and carries protection as long as the family exists. We are enlightened. Our duty is plainly before us, enlightenment of the public.

Let me submit a few figures. A policy of \$3,000 in any American old line company will guarantee about \$20 a month or 15 years. By way of comparison, consider a \$10,000 policy. The company owes \$10,000 cash at death. In lieu hereof it will pay \$652 a year for 20 years. (Payments increased by surplus interest dividends in some of the companies.) The earnings on \$10,000 at five per cent. are \$500 annually. The difference between this and \$652 is \$152, or 30 per cent. of \$500. Again, on a four per cent. investment the earnings are \$400, making a difference of \$252, or 63 per cent. of \$400. Therefore you improve condition of beneficiary from 30 to 63 per cent. by using the income feature of a policy contract on the above basis.

Men segregate themselves into two classes—the underinsured and the uninsured. The income policy is applicable to both. Men carrying fairly large lines of insurance will listen to this type of insurance when efforts to place additional amounts on the old forms fail. We know this to be true. It may mean greater effort, more time and more education to sell the uninsured this type of protection, but the result is worth the additional effort, since larger lines are usually sold on this form.

In presenting monthly income insurance the following method, I think, is feasible, as it gives a good idea of the returns to be expected. Take the insured's age about 40,

beneficiary about 18, 20-payment life continuous monthly income policy \$60 per month. The case being where father desires to protect the daughter "as long as she shall live." Your presentation should be as follows: In consideration of your paying to the company \$432 for a maximum period of 20 years (you may, of course, pay no more than one premium), the company agrees to pay to your beneficiary \$720 a year for a minimum period of 20 years and as much longer as she may live; or, again, you pay the company three per cent. of \$14,400, the sum insured, for 20 years, at the most, and the company agrees to pay to your beneficiary five per cent. of the same sum for not less than 20 years and as long thereafter as the beneficiary may live. This gives the prospect a good idea of the proposition, as it states a relationship between the amount paid to the company and the amount to be received by the beneficiary.

When we examine a continuous monthly income contract we come across the following phrase, one to which I wish to dedicate a few words, namely, "*As long as the original beneficiary shall live.*" As long as she shall live. Does it appeal? I need not answer. Show the prospect that his beneficiary may outlive an investment, friends, counselors and almost any other human contingency, but she cannot outlive the monthly income. I propose a twentieth century slogan, "*As Long As She Shall Live.*"

We owe to our daughters and future generations that same defense which our forefathers knew they owed us when they fought for our political liberties. Let us be true to our convictions and work intelligently and faithfully, so that each and every one of our daughters may know that protection is hers "*as long as she may live.*"

The Survival of the Fittest.

If you can do anything exceptionally well, there is a berth in this work-a-day world for you. The public is not your enemy. It is even willing to be your friend and is desirous of helping you in its own way. It will lend you its influence and reward you with its hard earnings, just in proportion as you serve and are valuable to it. If you shirk work and manifest no desire to serve, the inexorable law of the survival of the fittest will bear down upon you and you will be out of the race.—*General Accident.*

Two Classes of Agents.

There are two classes of agents, to wit: Those who are in the business with regard solely to present commissions. Those who have taken up life insurance with the serious earnestness that they would direct to the pursuit of any other profession. These latter are far-sighted men, who see in our business a dignified field of labor and a means of securing a comfortable competency for life. To these men the commission is an important incident in their work, but not the chief end of it. Their aim is to attain to the highest degree of efficiency possible. With them success has a value which cannot be measured by money. They can safely leave the material reward to take care of itself. It is a certain sequence to such work as theirs.—*Pointers.*

During the past ten years, according to Bradstreet's, there have been over 100,000 commercial failures, with liabilities of over \$1,500,000,000. During the past ten years 600 banks and trust companies have closed their doors, with liabilities of over \$380,000,000.

During the past ten years there have been railroad receiverships, with stock and bond issues involved of over \$600,000,000. While of life insurance it can be said that for more than thirty years there has not been one failure of an old-time life insurance company which has been conducted on the legal reserve basis.—*Travelers' Agents Record.*

Life Association News

A MONTHLY JOURNAL DEVOTED TO THE INTERESTS OF ALL
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ARTICLE II OF THE CONSTITUTION.

"The object of this association shall be to advance the best interests of the cause of true life insurance."

Address all communications to

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SUBSCRIPTION PRICE \$1.00 A YEAR IN ADVANCE.

INSTITUTIONAL ADVERTISING—SOME OBJECTIONS.

Limited only by the provisions of the Constitution and By-Laws of the National Association, local associations enjoy complete autonomy. A resolution may be passed at an annual convention of the National Association, contemplating certain definite and prescribed activities, but the National body has wisely and justly never attempted to coerce any local association into adopting any specific action thereon. Its authority can go no further than to recommend to local associations a course of action carefully planned for the greatest good to the greatest number of its individual members.

So far as we have record, every local affiliated with the National Association approved the recommendations promulgated by the National Committee on Education and Conservation, at the Atlantic City convention, but it is quite impossible to conceive that in a National organization of approximately 4,000 men there are not a certain percentage who are inclined to enter a dissenting opinion. Critical and particular opposition to a campaign of Institutional Advertising has occasionally appeared on the surface, and the attitude of such members has been exhibited by a refusal to contribute their quota, together with a public declaration of the reason for their refusal.

We welcome criticism because it not only gives us an opportunity to detect a weak spot in the ranks, but also tends to assist us in finding a flaw in our arguments. Incidentally, in this respect, all expressed opposition to the proposed campaign has thus far been of small value to us.

It is reported that at a recent meeting of one of the New England associations a prominent member of that particular body expressed himself as being of the opinion that Institutional Advertising was so well adapted to promote confusion that he could not see the real need of it, and therefore was in doubt as to its ultimate value. We admire the man who disagreed with us; for, in justice to ourselves, we need his viewpoint. It has been declared times innumerable that a company could not succeed without successful field work, and this was one of the statements made by the member whose observations we are now considering. It seems, however, that he reversed his opinion by means of a hypothetical situation, stating, in substance, that, with an enlightened public, agents would not be required. Nevertheless, it was his belief that if Institutional Advertising would work out advantageously to field forces, it would simply be a matter of common business prudence to enter into it.

As to this phase of the situation, this must be said: The solicitation of life insurance is a desperately difficult branch of salesmanship. This is an admission which naturally we put no stress upon, because it would militate against securing new agents. How-

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offers advantages on the Pacific Coast to life insurance salesmen which we believe are not equaled by any other company operating on that Coast.

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H. H. WARD, Manager Pacific Northwest

Title & Trust Bldg., Portland, Oregon Hoge Building, Seattle, Washington

"COME TO THE PACIFIC WITH WARD"

ever, this is merely between ourselves; and, as the News circulates almost exclusively among experienced life insurance men, an honest admission of this character should do no harm. Actual results in the field have been accurately calculated, and the work of the average agent is about nine policies sold to 130 actual interviews per month. The number of calls made to secure these 130 interviews but give a vague idea of the indifference of the public as to the benefits of life insurance. Institutional Advertising, it is believed, will tend to materially lessen the arduous duties of the solicitor. With a field more susceptible of cultivation, there could be no other outcome.

"Institutional, or, in other words, educational advertising," said the party of the first part, "by a combination of interests does not seem to harmonize with the great foundational principles of publicity upon which have been built world-wide reputations for business houses that are little known in their own community; nor does institutional advertising seem to be the kind used by our business organizations. Evidently they do not think it necessary to carry forward to a desired enlargement the interests they have in hand. Many illustrations of this might be taken in the wide realm of the business concerns of the country. But one may stand for all and may suffice. Take a single one, in the business of banking, in our own city or country, and what do we find? Do we find any combination of interests for the purpose of carrying on a nation-wide scheme of advertising? Who knows of anything of this sort, unless, forsooth, it is in the interests of a trust or a monopoly? Is there any such thing in use anywhere?"

Institutional Advertising is a new idea, but it should not, for this reason, be condemned. Much of the opposition to the proposed campaign is based upon objections no more solid than the novelty of it, and because it has but recently been discussed.

In direct and specific answer to the statements quoted above, we would call attention to the following interests, which have all recognized the benefits of this plan of publicity. The Oyster Growers and Dealers' Association of North America clubbed together last year in their advertising, and it is understood that the results secured were very satisfactory. A similar campaign was instituted by the manufacturers of glazed kid, and the only reason it was discontinued was because the advertising brought such excellent results that the manufacturers could not see the necessity of further immediate advertising. The National Association of Tile Manufacturers have advertised on an institutional basis, while the Dominion of Canada is now planning for a country-wide campaign of publicity in the United States, the expense of which is to be paid out of the Immigrant Department

of the Dominion. The gas companies of the various large cities of the United States have now under way an Institutional Advertising scheme, and \$100,000 has already been subscribed for the initial movement. The Apple Growers' Association of the United States is now preparing an advertising propaganda, and educational articles with regard to the use of apples will be published in the leading papers of the country. It will be remembered that, at the Atlantic City convention, sheets were distributed by the Philadelphia *North American*, setting forth the Institutional Advertising of the florists and the electric power interests. Many other examples might be quoted, but these should suffice.

If these facts had been known, certainly the dissenting member would not have had reason to say: "If Institutional Advertising is really the best way for these thousands and thousands of businesses to promote their individual interests, it would seem as though some of them at least would, ere this, have found it out and by some system joined together to give the general public educational information about the trade. But they have never done so and we venture to conjecture they never will."

The gentleman whose opinions we are discussing believes that by means of competitive advertising a given company would have a field largely its own. There are companies who believe in competitive advertising and doubtless much good has resulted. But let us ask the question: How much greater would be the results with better tools and more perfect equipment?

To quote further from the address in question:

"Another thought. Suppose the public to be enlightened in life insurance, suppose the public indoctrinated with the importance of it and the value of it, until every man you meet is 'wise to it,' would it be likely to make the work of the field men of any single company easier or more successful? Furthermore, suppose, if you can, the public to be thus aroused from their lethargy, until every man should be thinking of life insurance and inquiring about it, how long would it be before the field workers would be looked upon as 'go between,' middle men making the expense of life insurance unnecessarily large and their factorship considered with disfavor? Men desiring insurance, instead of negotiating it through these agents, would go directly to the company."

Are we to believe that an enlightened public means the elimination of the agent? Would it not be just as consistent to discourage all suggestions to people of this country as to hygiene and sanitation, for fear that there would be no further work for the phy-

sicians? Should we not insist that tooth brushes be discarded because they make less work for the dentists? Why should the people of New York advocate the observance of regulations conducive to order and decency? Surely 12,000 policemen should not be deprived of a means of livelihood. Statistics show us no decrease in the number of doctors, dentists, or policemen, although it would seem that there is at the present time an almost universal knowledge of the subjects that have to do with their specific ministrations.

It was President Joseph A. De Boer, of the National Life of Vermont, who said:

"Without personal solicitation business will fail, without honest solicitation business booked will be impaired, without agency care of business it will fail of its proper renewal, and without agency support satisfactory adjustments of business and corporate reputation must suffer both in character and results.

"Appreciating the fact from every standpoint that all human institutions, political, religious, industrial and social, must rest upon their ultimate claims to self-preservation, upon the service they render to the average man, upon the principles of a just and equitable share in the gifts of nature and the results of work, and upon that count it is reasonable to base the claim of professionalism and permanency of the life agent's work.

"The agent in any profession, commerce, law, divinity, or insurance, who induces the establishment of a service which promotes mutual advantage among men, is well and nobly occupied and among such agents none, in my judgment, hold higher rank than the life insurance agent because of his indispensability to advancing and enforcing its service and because that service itself is of unspeakable value to society."

Should we cease to live in accordance with the ten commandments because the observance of the decalogue might deprive clergymen of their profession?

The greatest campaign of Institutional Advertising in the history of the World has been Christianity. More money has been contributed and disbursed in this cause than for any other one purpose of which history has record. Think of a propaganda having to its credit a record of approximately 2,000 years of continuous effort. Think of its magnificent textbook, the Bible, portions of which antedate the birth of Christ by hundreds of years. Consider the schools, colleges, monasteries, nunneries, churches, missions, missionaries, the Young Men's Christian Associations, the Young Women's Christian Association, the Salvation Army and all the other various instrumentalities for the spread of the Gospel. All these for institutional publicity in its purest sense. Has all this developed conditions which means the elimination of the minister or the priest?

Salvation, or soul-assurance, is a simple proposition depending largely upon faith; Life Insurance is highly technical and demands the stimulation of volitional mental activity to a degree which precluded the acceptance of any dogma. The proposed campaign

of Institutional Advertising of Life Insurance is fundamentally altruistic, and the advantage to the agent, though certain, should be looked upon as a by-product.

Therefore, it is infinitely more illogical to imagine the elimination of the Life Insurance agent, through the means of a universal knowledge of Life Insurance, as there would be to contemplate the passing of the clergyman, because of the rapid increase of the believers in Christianity.

The Renewal Income Tax.

The question as to whether renewals, whenever paid, but earned prior to February 27, 1913, are subject to the income tax, was argued on February 19 by Hon. A. I. Vorys and Charles A. Woods, Esq., at Washington, before Hon. Ellis C. Johnson, solicitor for the Income Tax Division of the Treasury Department. Though overwhelmed with work just at the close of the period when making returns expired, he gave a full and courteous hearing to counsel, lasting over an hour and a half, and, in addition, promised to carefully consider a brief which was left by counsel.

Mr. Johnson took a great interest in the question submitted to him and asked many pertinent questions. At the close of the argument he frankly admitted that a very strong case had been made out and stated that he would endeavor to give an opinion before the date for filing the income tax papers, March 1. So far we are not informed whether Solicitor Johnson, with the great press of duties before that department of the Government, has been able to furnish an opinion or not. Late Saturday night, February 28, the following telegram was received from Commissioner Osborne:

As at present advised, this office holds that renewal commissions received by insurance agents are income subject to tax for the year in which received, or in which they become to such agents an enforceable claim.

Whether the Commissioner, in the rush of duties, was unable to come to a final conclusion, as might be intimated from the telegram, beginning "as at present advised," or whether Solicitor Johnson has yet been able to go thoroughly into the case, we cannot, at the time of going to press, state.

Even if Commissioner Osborne and Solicitor Johnson should hold, for the sake of adjustment with the Government, that renewals are income, it is proposed to endeavor to secure the consent of the Government to submit a test case, so that it will not be necessary to pay the tax June 1 and sue the Government for its recovery.

The further the case is gone into by counsel, the stronger does the justice of the case appear, the decisions having been numerous that a renewal income

property acquired at the time the original insurance was effected, even although payment therefor by way of renewal commissions is deferred, and those familiar with the subject seem quite confident that a favorable decision will finally be secured.

OFFICIAL NOTICE

Atlanta, Ga., March 15, 1914.
Members of the Executive Committee:

The Mid-Year Meeting of the Executive Committee of the National Association of Life Underwriters will be held at the Hotel Astor in New York City on Tuesday, April 21, at 10 o'clock A.M., for the transaction of such business as may require attention. There will be an afternoon session beginning at 2:30 o'clock. Matters of unusual importance will come up for discussion and every member of the Committee is urged to be present. The Chairman of each sub-committee is requested to submit written report.

The Metropolitan Life Insurance Company, through its assistant secretary, Hon. James V. Barry, has extended an invitation to the Executive Committee to be its guests at a dinner in the Metropolitan Tower, Tuesday evening. This invitation has been accepted and from past experience I can assure everyone so fortunate as to be invited, that this will be a most delightful occasion. Invitations will doubtless be received direct from Mr. Barry in due time, which should be promptly acknowledged, so he will know what preparation to make.

The Hotel Astor has been requested to send out schedules of rates, etc., to each member of the committee. It is advisable that reservations be made some time in advance of the meeting.

Yours very truly,
HUGH M. WILLET, Chairman
Executive Committee.

RELIGION AND LIFE INSURANCE.

Though Commercial in Its Immediate Aim, Life Insurance
is Immensely Social and Moral in Its Reaction on
Society.

By Dr. John E. White, Pastor of the Second Baptist Church, Atlanta, Ga.

This is a synopsis of a sermon delivered by Dr. White to the insurance men of Atlanta. When we consider that there are over 35,000,000 communicants to the various churches of the United States, it gives us an idea of a tremendous influence which might be used to good advantage. No class of men know more about the practical advantages of Life Insurance, unless it be undertakers.—Editor's Note.

A preacher of the gospel, who appreciates the advantage of minds prepared for his message, should feel very confident of his audience whenever it is his privilege, as it is mine to-day, to stand before a large assembly of insurance men. The points of contact in sympathy and the angles of analogy in principle between the preacher and the insurance agent are most striking and instructive. Personally, you are persuaders of men. You deal with the individual in direct appeal. You have an argument to make, a story to tell, a message to deliver, and you aim for a verdict.

In the intelligent understanding of your profession you are also the prophets of a propaganda which, though commercial in immediate aim, is immensely social and moral in its reaction on society. Your proposition is one that makes for individual well-being and social integrity, and inures us to the moral advantage of civilization.

Your business is built upon sound economic doctrines, with the added weight of philanthropic consequences. You preach the doctrine of mutual aid and your fundamental moral appeal is "bear ye one another's burdens." You offer to men an investment which promotes the comfort of the mind and the sense of security which follows forethought and assured provision. You argue from the standpoint of experience and common sense that men may assure their peace of mind by insuring their lives and property, and thus to quell the earthly qualms of doubt and dread and disaster. You proclaim the promise and the pledge of benefits to character through a conscientious attitude toward the realities of life and benefits to conduct through the practise of thoughtful thrift and self-denial. You proffer the guarantee of postponed benefits accruing and accumulating against the ordeals of the future, when further human effort is over and the end has come.

The Social Value.

Perhaps the public, and perhaps insurance men themselves, have not been sufficiently impressed with the social value of their business. The motive of gain is, of course, immediate and urgent, but to a thoughtful insurance man the social and moral motives may rightly furnish the impulse of a broader and nobler attitude toward his life's work. Insurance as a business has emerged from its earlier history of hazard and financial venture. It has evolved into a world-wide Providence. Who can estimate the vast volume of comfort the human race has received and is receiving from the insurance business? It would require a colossal imagination to figure out the psychological deposit, the mental emotions and the tears and smiles born of an inward gratitude, which are being produced in the world to-day through its operations.

Milton said, "Only good men can do good work." The insurance man who gets an intelligent comprehension of his opportunities to do good is bound to be a better man. He need not parade his conscience, nor protest his moral motives,

for the world is cynical of commercial philanthropy, but there is an honest and sincere purpose toward his business. As a contribution to the welfare of humanity he has the right and the duty to exercise, and thereby to gain a nobler courage and a finer conscience in his daily task.

To promote the moral earnestness, which it is my duty to do, and to assist in lifting the avocations of life to the highest levels of moral obligation, I venture to submit to you the insurance man's creed:

First.—Confronting the stern facts of human life and in view of the unyielding liability of human experience and in sympathy with those who are tempted to improvidence and those who suffer by neglectful inattention to wise forethought, I believe it is my duty to help create a better individual and social spirit of prudence and thrift through the insurance business

Individual Character.

Second.—I believe it is to the improvement of individual character for men to practise frugality and self-denial, and also a contribution to the integrity of family life for responsible men and women to assume the obligations which an honest insurance policy imposes.

Third.—I believe that sickness, misfortune, disaster and death in the reign of an all-wise and inscrutable Providence are the common liabilities of mankind, and that they may serve a good end when men are brought to face them thoughtfully and to act according to the dictates of necessity and reason by providing as far as possible against their sorrows.

Fourth.—I believe that mutual aid through the organization of individuals who thus consciously or unconsciously may help to bear one another's burdens is a sound principle of a permanent social order and in keeping with the highest and best wisdom known among men, and I believe that insurance is one of the great modern modes of thus socializing society on a basis of honesty and fairness without laying unjust tribute upon the man for the benefit of the few.

Fifth.—I believe that insurance combining the sound principles of investment and protection is a good man's job, and

that the man on the job ought to make a good conscience his work, speaking the truth and despising lies, practising what he preaches for a wholesome example and willing to accept for himself the moral and religious logic to which the basic principles of his daily employment may direct him as an intellectually honest man.

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GEO. C. MARKHAM, President

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SATISFIED POLICYHOLDERS to the number of 13,073 (out of 45,862 persons applying) purchased additional insurance in 1913.

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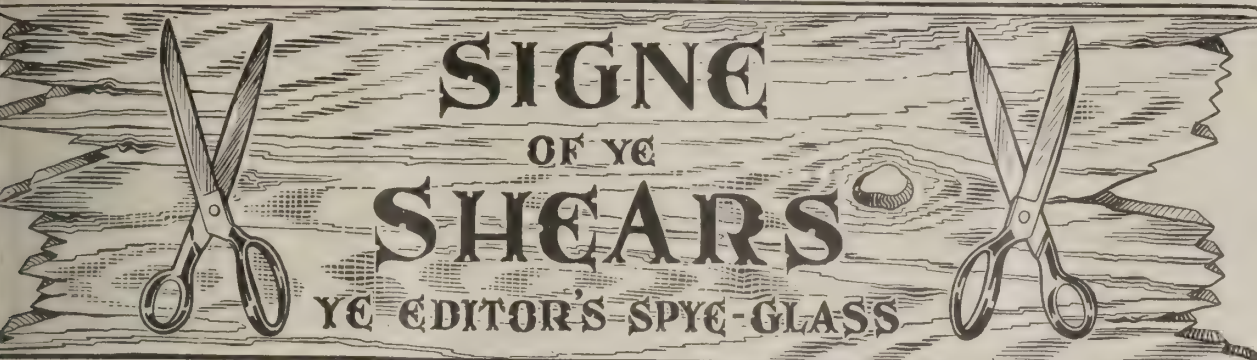
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LARGE "DIVIDENDS"
LOW COST
SERVICE POLICY



SIGNED OF YE SHEARS YE EDITOR'S SPY-GLASS

Keeping Your Money at Home—How It Can't be Done.
Space in the daily newspapers is generally supposed to be valuable, and it is. But when a Southern or Western newspaper, in a spirit of local pride, devotes several columns to an old plea of "Keep your money at home," in an attempt to stir up the service offered by a purely local life insurance company in contradistinction to the old line companies, then the case becomes cheap and argumentation specious.

It is an old, old story, this "keep your money at home" position, and a worthless waste of printer's ink. It is to be regretted that those who are responsible for its publication are not conversant with the actual facts of the case. We might be well content to occasionally permit an editor to believe the truth of the old adage, "Where ignorance is bliss, folly to be wise," were it not for the fact that daily newspapers have readers, and the public should not be misled and mislead on a subject of such vital interest as life insurance.

But a few months ago our attention was called to a case in which a cartoon appeared in the *Wichita (Kan.) Beacon* attempting to convey the impression that the people of Kansas were policyholders in Eastern companies were contributing their money to the Kings of High Finance of Wall Street, that for every dollar so paid in premiums Kansas suffered corresponding commercial loss. H. W. Allen, president of the *Wichita association* and State agent of the Mutual Benefit, on this occasion to reply to the president of one of the local companies, who, it was said, was responsible for the cartoon. The principal points brought out in Mr. Allen's communication were to the effect that: (1) The prejudice and misunderstanding which at present exists in the public mind with regard to life insurance is so great that there should be no deliberate attempt to create more of it. (2) No successful life insurance company long remains a local proposition, and a company is as extensive as the territory it covers. (3) In 1912 one Western company collected nearly \$7,000,000 of premiums in New York alone, and for all practical purpose this company is just as much a New York company as any with home offices there.

In times of financial depression enormous demands are made upon all companies. High-class bonds fluctuate very much, because of their world-wide market, but a Kansas man is not listed in London, Paris, Berlin or New York. Hence the embarrassment of any company endeavoring to find its assets within any given State.

Just One Way.

Can money be kept at home? Yes, there is one way. Get out the old blue woolen sock, Hiram, or pry out the loose brick from the kitchen hearth; and you, Mandy, fetch down the cracked teapot outen the cupboard. Thar ain't no other way to keep your money to hum.

Spend a dollar in Seattle and some of the change soon comes in the pocket of the Man on Broadway. Buy a Hood River apple at a Broadway fruiterer and you, with thousands of other men in the East, contribute to the bank account of the Oregon farmer.

Speaking of Oregon brings us down to the subject we had in

mind in our introductory remarks. The *Oregon Daily Journal* rather recently devoted considerable news and editorial space in urging the people of that State to patronize Oregon life insurance companies, to the exclusion of old line companies. There can be no objection to a resident of Oregon securing his life insurance in an Oregon company, provided, of course, the Oregon company is in a position to render service which is equal to that of an Eastern company. Whether or not premiums are paid to an Oregon company, all of the money is not kept at home.

But let us consider certain facts of the situation as elucidated by a contributor to the *Insurance Field*. We have substituted "The Oregon company" for the actual name of a company. Compare, for example, the following expense ratios of an Oregon company with those of one of the best known Eastern companies.

Ratio of Expenses, Less Taxes.

	To premium income.	To total income.	To average insurance.
The Oregon company.....	\$34.93	\$30.96	\$1.31
Eastern company	16.04	10.58	.60

Naturally one would suppose that if the Eastern companies are so extravagantly managed they could hardly furnish the Oregon citizen with as cheap protection as does this Oregon company. It will be interesting, therefore, to compare the net cost of the two companies above referred to on the three leading forms of policies, as follows:

Age 35, Policies \$1,000 Issued in 1910, Net Cost in 1913.

	Ordinary life.	20-payment life.	20-year endowment.
The Oregon company.....	\$23.38	\$32.83	\$47.00
Eastern company	22.18	30.93	42.77

With some of the statements of the *Oregon Daily Journal* we are fortunately able to exhibit an illuminating parallel, which in this case is an inconvertible refutation to the assertions of the Oregon newspaper.

Oregon Daily Journal.

More than \$2,000,000 annually goes out of Oregon to pay the life insurance premiums on policies of outside companies held by Oregon policy holders. Some of this sum is returned in death losses and dividends, but only a small fraction of it, the vast bulk of it being forever lost to the people of this State.

Insurance Field.

A fallacious argument of the Oregon papers is that while \$2,000,000 a year in premiums are paid out of the State every year, "only a small fraction" returns in death losses, dividends, and other payments. Such a statement is full of either deception or ignorance. * * * One thing is sure, that all death losses represent enormous profits carried into a State and laid down there. The premiums paid to companies outside of Oregon last year were probably near \$3,000,000. If losses were \$1,000,000, as reported, then the dividends, surrender values

and other returns to policyholders probably amounted to \$500,000 or \$600,000 more, being in all one-half the current premiums, although they are the returns on much smaller premiums paid years ago.

More than \$25,000,000 has accumulated and is being held in trust by the life insurance companies of other States as a reserve on the insurance in force for Oregon policy holders. A portion of this fund is loaned out in Oregon, but it is a trifling sum compared to the enormous amount that is withheld from the State.

We will continue the parallel by quoting from a copyrighted article by Floyd Elmer De Groat, which was published several years ago in this journal. The excerpts from Mr. De Groat's essay apply in principle only; they are not intended to be in specific connection to the situation in Oregon. However, as the Oregon cry of "Keep Your Money at Home" is based upon the same arguments as similar outbursts from other Western localities, the comparison serves its purpose most admirably.

Oregon Daily Journal.

Thirty years ago there were no life insurance companies organized and operating exclusively in Oregon and it was impossible to have kept all this money in Oregon. But the conditions are different now. There are strong companies in this State now organized and owned by Oregon people and it is possible therefore to keep within the State nearly all of the \$2,000,000 that annually goes East to pay premiums on life insurance policies issued by outside companies.

It is just as much the duty of every citizen of this State who has at heart the advancement and prosperity of Oregon to buy his life insurance of a home insurance company as it is to buy his dry goods and groceries from a home merchant or to buy his factory made needs from the home manufacturer.

Buying life insurance issued by a life insurance company, organized and owned within Oregon, means boosting Oregon. It means keeping money at home instead of sending it East to swell the already bursting vaults of the big Eastern companies. It means keeping money in Oregon, to be reloaned in Oregon, thereby keeping the annual interest in Oregon. It

How much of the reserves held in suspense are invested in Oregon we do not know, but if all the railway and other securities are considered, Oregon doubtless gets her share of the investments, as her enterprises appeal to the open market.

Floyd Elmer De Groat.

With great skill does the promoter paint his word-picture. Cleverly concealing, artfully revealing, he makes winsome appeal to curiosity. And be it remembered, "Curiosity is and has been from the creation of the world, a master passion. To awaken it, to gratify it by slight degrees, and yet to leave something always in suspense, is to establish the surest hold that can be had in wrong, on the unthinking portion of mankind." But his eloquence transcends when he makes his final appeal, to pride, local pride. Whether in West, East, North or South, the peroration is, keep your money at home! Why send it to New York, Milwaukee, Cincinnati or San Francisco? That is the appeal that persuades.

Yet is not this an appeal to ignorance of a great economic law? Do not economists agree that money is simply a commodity, a fluid commodity? Of all commodities money flows most obedient to the law of supply and demand. Were our currency system perfect, money would be absolutely responsive to that great law. Freedom of trade as between nations, in theory or in prac-

means contributing to Oregon's growth and enrichment.

The trend of the times is best illustrated by the following: Prior to 1905 enormous sums of money flowed every year from the West back to New York, New Jersey, Massachusetts, Wisconsin and other Eastern States to pay premiums on life insurance policies. This money swelled the bank clearings of the East to an enormous proportion.

But Oregon still sends \$2,000,000 a year back East to pay premiums on the life insurance policies of outside companies. New York's bank clearings are swelled every year by this sum of money, nearly all of which could easily be kept at home by buying the life insurance of home companies.

tise may have its critics; but free and untrammelled exchange of commodities as between towns, counties or States, should find no opponent in the American Union. The purchase of an insurance policy is a transaction in which two commodities are exchanged, nothing more, nothing less.

But the assets of a New Jersey company are not invested in New Jersey. Nor are those of a Massachusetts company invested in Massachusetts. The Newark, Hartford, New York City home offices of great insurance companies are simply points from which life insurance funds are distributed. Money is received there; it flows thence obedient to the law of supply and demand. The existence of the United States Treasury at Washington does not give that city more money than Baltimore. Nor does the Sub-Treasury at San Francisco give that city more money than Los Angeles. The existence of a very large old-line life insurance company in Milwaukee does not enrich that city beyond Cleveland, which has no great company. A certain old and successful company domiciled in Connecticut has bond and mortgage investment of nearly three millions in Nebraska, more than five in Missouri, over six in Iowa. Its similar investment in its home State plus the rest of New England, is less than \$20,000.

A Wisconsin company has more mortgage investment in the State of Washington than at home. It has five times the investment in Illinois that it has in Wisconsin. The field for conservative investment of life insurance funds is constantly changing. The law of supply and demand determines. Georgia, Oklahoma, Texas may or may not in any given year or series of years, furnish the demand, that is, offer the full normal interest rate coupled with most perfect security, tax, foreclosure laws, certainty of crops, permanency of population, all properly considered. The field in which to conservatively invest life insurance funds is in nowise en-

hanced by the promotion of a new company in any community.

Place your insurance at home and keep your premiums in Oregon, that they may be utilized in the development of Oregon; that they may be loaned here to Oregon enterprises that from time to time go into the market to secure money to carry on business.

But test a little further this proposal to keep money at home. Is not the St. Louis branch office or general agency of a New York company, whether or not mortgage investments are locally made, in a true sense a home institution? That office either owns its quarters, or pays rent. It pays taxes, insurance-wise and otherwise. It pays commissions, medical, and inspection fees. It pays cash values, dividends, endowments, makes policy loans. And the death claim is ever present. Each individual in its employ is a citizen, voter, consumer and taxpayer.

Every man and woman in Oregon with an interest in Oregon's future and sharing Oregon's growth and prosperity is in duty bound to place his or her life insurance with a home company. The time has come to wake up to the value of home support, for home institutions and home products.

The proposal to keep money at home has its analogy in the purchase of any commodity. Let the citizen of Tacoma, by all means, price, durability, quality, other things being equal, buy his clothing in his own city. Yet he succeeds in keeping his money at home only so far as the profit part. He has really patronized an agency. The balance, the investment part, must find its way to the wooler, mills of the East or the cotton fields of the South, to supply another demand. If it be urged that clothing is manufactured also in the home city, very well then; the intelligence of the community will test, by observation or experience, and will render its patronage according to merit.

But the insurance promoter has declared that the new company will make all investments in the home city or State. Does not this theory by its very narrowness, deny ultimate success to the enterprise? How can a life insurance company grow permanently upon the practice of keeping its money at home? What business-getting argument shall a Toledo company employ when extending its operations to Detroit? How shall a Denver company attract policyholders at Salt Lake City? Must not merit be the test as in other commodities? Now, risks, wide-

ly distributed throughout the healthful regions of the United States, are essential to favorable or non-fluctuating mortality experience. Scattered, widely distributed investments are an indispensable requisite to non-fluctuating interest, and permanent security. Have not Galveston and San Francisco demonstrated tremendous changes of real values in city property? Do not the abandoned farms of New York and New England furnish an object lesson as to country property? Have not other cities, other States, unexpectedly and unwarned, demonstrated tremendous fluctuations of the mortality law?

A city can never be built, nor can a State ever thrive and grow to greatness if its citizens turn away from local interests and play directly into the hands of their competitors. Don't overlook the fact that every dollar sent out of Oregon to pay for life insurance hurts the State and helps competitors of home life insurance companies that are bidding for the life insurance of Oregon's citizens.

But does a man keep his money at home when he buys a Government bond? A railroad bond? Has he impoverished the community by so doing? May he, perhaps with wisdom, prefer the bond of a distant city to one of home issue? Yes, oftentimes. May our great banks and trust companies wisely buy English consols, French rentes, Japanese bonds, loan money to China? May one not wisely, perhaps for the ultimate good of the community in which he lives, place his fire insurance with the local branch of a reliable British company rather than with one just being promoted in a neighboring street? Unfortunately, the promoter's activities are rapidly extending to insurance in all its branches.

But how does the theory of keeping money at home through the promotion of local life insurance companies work out in practice? Contemporary history furnishes illustrations. One may read in a recent journal, that a new company in Philadelphia has re-insured in New York; that a new company in Chicago has been taken over by a concern in Springfield; that a Minnesota company is being reinsured by a Canadian; that a Seattle company four or five years old has just re-insured in St. Louis. These are not isolated cases. Examples abound. Indeed, he was not altogether a cynic who cried that his life effort to keep money at home had met with poor success.

IMPORTANT BILL INTRODUCED IN THE NEW JERSEY LEGISLATURE.

New Association at Atlantic City Responsible for Introducing Measure Intended to Minimize Various Forms of Misrepresentation.

As previously announced in the NEWS, a new association was recently organized at Atlantic City. Through the influence of its leading members Senator Walter E. Edge, representing Atlantic County, has introduced a bill in the New Jersey Legislature similar to the Pennsylvania Anti-Twisting Law. Efforts will be made by the Atlantic City organization and the New Jersey association, with headquarters at Newark, to secure favorable action at Trenton. The bill in question reads as follows:

An ACT to prevent misrepresentation or misleading estimates intended to induce the taking of a policy of insurance, or misrepresentation or incomplete comparisons of policies intended to induce the lapse or forfeiture of policies of insurance; prescribing penalties for violations of this act; making provisions for compelling the production of evidence.

Be it enacted by the Senate and General Assembly of the State of New Jersey.

1. No insurance company, association or society, or any officer, director, agent or broker, or solicitor thereof, shall issue, circulate or use, or cause or permit to be issued, circulated or used, any written or oral statement or circular misrepresenting the terms of any policy issued or to be issued by such company, or make an estimate, with intent to deceive, of the future dividends payable under any such policy.

2. No insurance company, association or society, officer, director, agent, solicitor or broker, or any person, firm, association or corporation, shall make any misrepresentation or incomplete comparisons of policies, oral, written, or otherwise, to any person insured in any company, for the purpose of inducing or tending to induce a policyholder in any company to lapse, forfeit, or surrender his insurance therein, and to take out a policy of insurance in another company insuring against similar risks.

3. Upon satisfactory evidence of the violation of the first or second sections of this act by any insurance company, association or society, its officers, solicitors or agents, or any insurance broker, the insurance commissioner shall revoke the certificate of authority of such offending company, association, or society, its solicitors or agents, or any insurance broker; and he shall have the right, in his discretion, to refuse, for a period of not to exceed one year thereafter, to issue a new license to such offending company, association or society, agent, solicitor or broker.

4. Any insurance company, association or society, agent, solicitor or broker, or any person, firm, association or corporation, violating the provisions of this act, shall be guilty of a misdemeanor, and upon conviction thereof shall be sentenced to pay a fine of not more than five hundred dollars (\$500) for each and every violation, or, at the discretion of the court, to imprisonment in the county jail of the county in which the offense is committed for a period of not more than six months, or both.

5. No person shall be excused from testifying or from producing any books, papers, contracts, agreements or documents at the trial or hearing of any person or company, association or society, charged with violating any of the provisions of this act, on the ground that such testimony or evidence may tend to incriminate himself; but no person shall be prosecuted for any act concerning which he may be compelled so to testify, or produce evidence, documentary or otherwise, except for perjury committed in so testifying.

6. This act shall take effect immediately.

What the Local Associations Are Doing

Life Association News has no paid correspondents. We depend entirely upon the secretaries of local associations to send us stories of all meetings of their respective associations. If an account of the last meeting of *your* association does not appear in this department, ask the secretary of your organization why he did not send us the particulars.

Immediately after each meeting, on the same day if possible, secretaries of local bodies should send us a full account of the business transacted, including copies of all speeches, or extracts from the most important of them.

Arkansas.

Members of the Arkansas association decided at the recent annual meeting of that body to change the name of the organization to the Little Rock Life Underwriters' Association. This change was made because there is another association at Fort Smith, and possibilities of organizing other local bodies at Texarkana and Pine Bluff. It was also decided that the association will hereafter hold regular monthly luncheons at the Marion Hotel.

President R. C. Bright refused to be re-elected for another term, and C. G. Price, of the Union Central, was elected his successor. The other officers chosen were: Joseph A. Hogan, of the Metropolitan, first vice-president; J. D. Arnold, Pacific Mutual, second vice-president; Howard Conley, New York Life, secretary; T. M. Cory, Equitable Life, treasurer. There was a discussion as to the attitude of the Insurance Department on the question of exercising greater care in the licensing of agents, and a committee, consisting of R. C. Bright, J. D. Arnold and C. G. Price was appointed for the purpose of conferring with L. L. Coffman and H. C. McCain, candidates for the State Insurance Commissionership.

Birmingham.

It was demonstrated at the annual meeting of the Birmingham association that the year just closing had been a prosperous one in the history of the association. The meeting was held on the 10th inst., at noon, in the Chamber of Commerce. Several new members were admitted and it was planned to make an effort to increase the membership by securing not only every general agent, but every solicitor in the city. It was also suggested that every member of the association have printed upon his business card, "Member of the Life Underwriters' Association of Birmingham." The follow-

ing officers were elected: President, P. C. Ratliff, Penn Mutual; vice-president, Lucien C. Brown, Germania Life; secretary-treasurer, Lucien M. Harris, Germania Life; executive committee, Albert C. Chesney, Metropolitan; W. L. Sessions, Prudential; G. T. Sibley, Equitable.

Buffalo.

The annual meeting and election of officers of the Buffalo association was held in the private dining room on the fifth floor of the Chamber of Commerce building in the afternoon of Feb. 14.

Following are the new officers: President, Joseph E. Gavin; first vice-president, P. G. Lapey; second vice-president, D. W. Cherrier; secretary-treasurer, George J. Eckhardt; executive committee, C. E. Adams, C. D. Buckpitt, G. R. Jones, W. A. McCormick, W. J. Shepar.

Capital District.

Through an unfortunate series of disappointments as to securing speakers, the Capital District association decided to postpone its annual banquet from Feb. 16 to a more favorable date. However, the election of officers and other routine business was transacted. The meeting was held at the Albany Club, and James Q. Barcus, general agent of the Mutual Benefit, and Carl W. Veeder, of the Travelers at Schenectady, were elected to membership.

The association found itself handicapped last year by the fact that a provision in the original constitution made the dues payable semi-annually. Therefore an amendment was adopted at this meeting providing for the payment of dues on an annual basis as follows: General agents and managers, \$10; resident members other than general agents and managers, \$5; non-resident members residing outside of the city of Albany but within 20 miles thereof, \$4; all other non-resident members, \$2.50.

The nominating committee made its report, after which the election of officers took place, with the following result: President, Seward V. Coffin, Provident Life and Trust; first vice-president, C. C. DeRouville, Penn Mutual; second vice-president, D. S. Barradale, Metropolitan; secretary, Charles R. Tripp, Fidelity Mutual; treasurer, W. A. Baker, Jr., Massachusetts Mutual; executive committee, Henry H. Kohn, Phoenix Mutual; J. W. Clark, Jr., Equitable; Jesse Barnet, Mutual Life; G. L. Buck, Provident Life and Trust; J. P. McGarrahan, New York Life; William J. Powers, John Hancock, and M. W. Rix, Travelers.

The same committee having charge of the annual dinner and speakers for that occasion was continued, and it is expected that this affair will be the largest gathering of life insurance men ever held in the city of Albany.

Chicago.

Entering upon the twenty-sixth year of its existence, the Chicago association held its annual meeting on the evening of Feb. 19 at the Auditorium Hotel. Evidence of practical results accomplished during the past year was made evident by the facts brought out in the report of the executive committee by J. F. Johantgen, its chairman. Mr. Johantgen called attention to the fact that early in the year it was considered whether or not it would be possible to take care of the \$2 per capita dues to the National Association and give five good dinners for \$6 a year. By careful management this had been accomplished, with the result that the association now numbers 378 members and the balance in the treasury is larger than ever before. Sixty-five members secured one or more applications for new members.

E. A. Ferguson, Hervey S. Dale, Jules Girardin and Dr. H. C. Castor informed the executive committee that 100 per cent. of their respective agency forces are now members of the association.

The ticket presented by the nominating committee was unanimously elected, and the officers are as follows:

President, Edward A. Ferguson, of the Union Central Life.

Vice-president, J. Frank Johantgen, of the New York Life.

Secretary, Byron C. Howes, of the Union Mutual Life.

Treasurer, Hervey S. Dale, of the Union Mutual Life.

Chairman Executive Committee, P. J. Kraus, of the Metropolitan Life; members Executive Committee, Alex. N. Weil, of the Fidelity Mutual Life; Henry E. Tank, of the Travelers; F. H. Merrill, of the Mutual Life of New York; Joseph Loebe, of the Berkshire Life.

With the conclusion of the routine business, retiring President Robert F. Palmer turned the gavel over to retiring Vice-President Darby A. Day, who introduced the speakers. Glover S. Hastings, superintendent of agencies of the New England Mutual, greeted the assemblage on behalf of the Boston association. Mr. Hastings believed in the part-time man and stated that he had himself started out by devoting but a portion of his time to life insurance. The speaker claimed that what the part-time man needed to develop his capabilities to a full-time man was practical co-operation and aid from district and general agents.

Melville W. Mix, president of the Dodge Manufacturing Company at Mishawaka, Ind., spoke on "The Human Power Plant." It is said that Mr. Mix practically controls the operation of more mechanical power plants than any other man in the United States, and he took this occasion to compare the human power plant to the steam. "Don't be a runaway power plant," said he, "making a noise like a hundred miles an hour, and only making ten. The knocker in the business is as sure sign of trouble as the knock in the engine."

Mr. Day then introduced Archibald M. Hall, head of the Archibald M. Hall Company, manufacturers of automobile parts at Indianapolis. Mr. Hall had spent twenty years of his life in the ministry, and his address was one of the most brilliant to which the association has ever listened. He said that he had had the mortality, interest and other tables of life insurance so frequently elucidated that he now knows nothing at all about the subject. He claimed that he had taken his life insurance like medicine, on the recommendation of some prescriber in whom he had faith.

Cincinnati.

The March meeting of the Cincinnati association was held at the Business Men's Club. It was preceded by a noon-day luncheon, with 32 in attendance. In accordance with a letter received from National Vice-President Edward A. Woods, the president appointed a special committee on taxation consisting of M. W. Mack, E. R. Ferguson, W. A. R. Bruehl, J. L. Shuff and J. W. Mackelfresh.

The subject of the annual convention was discussed and a general convention committee was appointed with power to add to and appoint sub-committees. This committee consists of Messrs. A. F. Sommer, M. W. Mack, J. L. Shuff, W. A. R. Bruehl, J. W. Kirgan, Charles J. Stern and E. R. Ferguson.

It was suggested by Ralph Holterhoff that the bar association be placed upon the mailing list for the next lecture at the University of Cincinnati, on "The Legal Phases of Life Insurance," by George F. Noyes, general counsel of the Northwestern Mutual.

Cleveland.

President Herman Fellingner, of the Cleveland association, has recently appointed a committee on taxation, and the names of the members will be announced at the next meeting of the association. Mr. Fellingner is chairman of the Committee on Insurance in the Ohio House of Representatives. It will be the duty of this committee to collect statistics with regard to the amount collected by the State from the various insurance companies, the amount required annually for the expenses of the State Insurance Department, and the amount collected annually in other States. It is believed that these statistics will be instrumental in securing a reduction of the tax on premiums.

"The insurance tax originally was imposed to pay for the running of the State Insurance Bureau," said Mr. Fellingner. "When the present rate of 2 per cent. on gross receipts of life

companies and 2½ per cent. on gross receipts of other companies was fixed, it brought into the State Treasury annually just about enough to pay for the upkeep of the bureau. But since, the insurance business has grown to such dimensions that the tax brings into the State's coffers about \$1,400,000 a year. Of this amount, only about \$10,000 annually is needed to maintain the bureau. The balance, about \$1,360,000, is turned over to the State's general revenue fund."

Connecticut.

Far surpassing the annual banquets of the past 22 years was the Connecticut association's 23d, at the Hartford Club. For the first time since Ernest J. Clark, of Baltimore, Md., was elected president of the National Association, the Connecticut association had an opportunity of hearing his outline of the progressive work planned by the National Association for the welfare of local associations throughout the country, and the success thus far attained in working these plans out. A defense of "just policy loans" was forcibly made by E. E. Rhodes, vice-president of the Mutual Benefit of Newark, N. J., William S. Ashbrook, agency secretary of the Prudential Life and Trust, dealt with the fundamental prerequisites of the successful insurance agent, Dr. J. Warren Harper, of Hartford, afforded his hearers pleasure with several snappy readings, and Dr. Edward T. Bradstreet, of Meriden, kept the banqueters in a state of hilarity until he had finished telling his yarns. The new president, Lee C. Robens, of Hartford, was the last speaker, and he sought the hearty co-operation of every member of the association in the coming year, thanking them for the honor bestowed upon him in the afternoon.

Retiring President Harry H. Anderson was toastmaster, and he gave a resume of the Connecticut Life Underwriters' Association. He said that while the membership is made up largely of representatives of outside companies, the Hartford companies have always given the association their hearty co-operation.

National President Clark said he was glad to be in Hartford, the town which grows big life insurance companies, and the guest of the association that has among its members "Uncle Eli" Weeks. Throughout the country there has never been such intense interest in the association as is evident at the present time. The work the National Association has cut out for itself will be accomplished much more quickly than had been expected.

He recited the responsibilities that were closest to the interests of life insurance companies. It was his hope that the Connecticut association might increase its membership three or four times by procuring the applications of all the agents selling life insurance in the State. He would have a contest for new members to close June 1, 1914, and urged the impression on life insurance agents of the professional standing of life insurance solicitors.

"The association is not only improving conditions in the field," he said, "but is decreasing the mortality of the life insurance companies." Statistics were quoted to illustrate where there remains great need for active solicitation in this country. These figures were appalling because of their accuracy. He said a new era was being entered by life insurance men. A more systematic training of agents was advocated to work in the field. The campaign of education promulgated by the National Association was referred to for the purpose of illustrating the scope of work that remains to be done. He said the committee in charge of this campaign was making good headway. Another branch, that of conservation, received the careful attention of the speaker, who said the lapsation of policies was appalling, and he credited the situation to the tremendous loans that were made on policies. He made the statement that 94 per cent. of outstanding loans would never be paid back. He believed that the taxation of life insurance premiums, which he said were excessive, might well be reduced by our legislatures. In his opinion dividends should not be taxed, and to bear out his statement he cited the Government's decision that these dividends should not be taxed.

Dr. J. Warren Harper said he was a doctor by profession, a fisherman by degression and a writer by transgression. Whereupon he read several snappy outdoor poems, remarking there must have been some fishermen among his hearers.

E. E. Rhodes said it was embarrassing for him to come to Hartford. He spoke of two phases of the life insurance business—competition and policy loans.

It seemed to him in the effort to obtain the lowest possible cost a company should not seek the lowest death rate, for if it does many are deprived of insurance who need it most. He did not mean the taking of men diseased, there was a middle ground.

"A company might in its efforts to maintain large dividends fail to maintain a sufficient contingency reserve. Any increase not obtained in this manner you ought to deplore. So much for that. It might be well for me to go into the history of policy loans. Policy loans were made before a certain company made them. In those days when a policyholder wanted to borrow money upon his policy he had to go to a loan shark and sign an iron-clad agreement transferring his policy to other than the beneficiary.

"If the companies do not make loans on policies, the holders of policies will procure loans from some trust company," said the speaker. He considered it unsafe to agree to make policy loans upon demand. Policy loans have been abused, and he would be the last one to deny it, but policy loans have their value, and he cited one case to illustrate a policy loan at its best.

William S. Ashbrook paid a tribute to the life insurance agent of the past generation for what he had done to bring the business to its present high level for the present day solicitor. He advocated a thorough knowledge of the fundamentals of the business for the agent who would secure names on the dotted line.

Dr. Edward T. Bradstreet said his text was that everything had defects of its qualities, that his theme applied to everything, even to life insurance. An agent had to be a strenuous man, that in the earnestness of the present day one shouldn't do away with the best things in life.

Lee C. Robens, the new president, assured his hearers that in assuming the position bestowed upon him he appreciated fully the duties that went with the honor, and requested the co-operation of every member of the association. He added that the association had great work to perform which needed the enthusiastic co-operation of every member during the coming year.

The banquet committee consisted of Oliver W. Gaines, of Hartford; Lee C. Robens, of Hartford; Richard O. Dunkum, of Hartford; James L. Coyle, of Hartford; Harry H. Anderson, of West Mystic, and Dwight G. Holbrook, of Hartford.

Music was furnished by Sutherland's orchestra.

After reports of officers had been read, in the afternoon, the election of officers for the ensuing year resulted as follows: President, Lee C. Robens, of Hartford; vice-presidents, Maximilian Stein, of Bridgeport, and Eli D. Weeks, of Waterbury; secretary and treasurer, George W. Green, of Waterbury. Executive committee: George L. Hunt, Hartford; Oliver W. Gaines, Waterbury; George W. Green, Waterbury; James L. Coyle, Hartford; A. J. Edgar, Bridgeport; Jonathan Adams, New Haven.

Detroit.

The annual ladies' night banquet of the Detroit association was held on the evening of the 2d inst., at the Hotel Ponchartrain, with an attendance of 192. With the exception of the secretary's report and the election of eleven new members, there was no business of a formal nature transacted.

President M. H. Zacharias presided as toastmaster, and the first speaker he introduced was Hon. James V. Barry, assistant secretary of the Metropolitan Life, and former Insurance Commissioner of Michigan. Mr. Barry's address was a remarkable mixture of wit and wisdom. Other speakers of the evening were J. F. Weston, general manager of the Imperial Life, of Toronto; Rev. W. H. Boyle, D.D., pastor of the Woodward Avenue Presbyterian Church, and Edgar

A. Guest, of the Detroit Free Press. The banquet was followed by dancing.

Georgia.

At a recent meeting of the Georgia association it was decided to increase the membership by making it possible for every reputable life insurance man in the State to join the association. Action was also taken upon the question of annual dues, and it was decided that a reduction be made from \$10 to \$6. Plans are now being formulated for a special meeting in April or May. This meeting will be held at some central point of the State and final arrangements are in the hands of W. E. Hawkins, State agent of the Aetna.

Grand Rapids.

In addressing the February meeting of the Grand Rapids association, John T. Winship, Insurance Commissioner of Michigan made a number of statements of general interest in the insurance world. One of his special points was that concerning policy loans, which, he said, called for definite legislation.

"The policy loan was the outgrowth of progress and competition," he observed, "and has been listed as one of the benefits which a company puts out in the development of insurance to a high state of perfection, but it is a grave question whether or not it is a benefit such as it pretends to be. That it has been abused no one will deny. There is not an agent here of years of experience who does not know of cases where the policy loan feature has been a detriment.

"The truth is that a husband or father does not realize that in burdening his policy with loans he is really borrowing from the beneficiary. According to a report made to the Association of Life Insurance Presidents, a half billion dollars in policy loans and premium notes are now out against the policies carried in this country, and through this a large amount of protection will be lost to the widows and orphans of the country. For experience shows that a very limited amount of policy loans are ever repaid.

"If I had my way I would modify the policy loan feature required by the laws of our State so that the loan should be made only for the payment of a premium, or for some other good cause."

Harrisburg.

The Harrisburg association held its regular monthly meeting on the 3d inst. and admitted the following new members: John T. Shirley, Frank O. Donaldson, Walter H. Cummings, William Hoffman, R. F. Baker and P. B. Price.

Kansas City.

M. F. Belisle, president of the Kansas City association, has announced the appointments of the following members to the executive committee: J. P. Miller, Royal Union Mutual, chairman; J. P. Mullane, Columbian National; Edward Villmore, Kansas City Life, and Fred L. Chesney, Union Mutual.

Knoxville.

The February meeting of the Knoxville association was held in the private dining-room of the Cumberland Club at noon on Feb. 28.

The session was called to order by President J. N. Ellis, and the minutes of the last monthly meeting, as well as the minutes of the executive committee, read by the secretary, G. F. Harrison, and approved.

The applications of A. A. Chable and Thomas Hart for membership had been approved by the executive committee and they were elected.

Rev. H. Clay Risner, pastor of Broadway Baptist Church, has accepted an invitation to preach a sermon on life insurance to the members of the association, and Sunday night, March 15, was selected as the date. Every life insurance salesman in the city and vicinity was invited. J. V. Rymer, Allan Watson and R. W. McAllister were appointed to arrange all details.

The anti-taxation committee made its report. This committee consists of J. N. Ellis, J. V. Rymer and W. J. Anderson. It was decided to hold this meeting on the evening of March 28. Reau E. Folk, ex-insurance commissioner, will be

the speaker. Many prominent policyholders will be invited to this meeting.

T. S. McKinney, chairman of the committee on publicity, made his report, and a motion was made and carried recommending that sixty inches of space be contracted for in a daily paper for a period of one year.

H. L. Woodward, of the Knoxville Business College, made a talk along the line of instructing the students in a contemplated insurance course in his college. He also made some timely remarks on a "square deal" in insurance salesmanship, and related some personal experiences that had made him a strong believer in life insurance.

Lima.

A meeting of the Lima association was held on the 10th inst., the principal speaker being W. D. Yerger, general agent of the Provident Life and Trust at Cincinnati. Mr. Yerger's address was one of the most interesting heard since the organization of the association. The association completed arrangements through the publicity committee to make use of the press once a week for life insurance educational items. Each member of the association will contribute to the expense.

Central Massachusetts.

There was a good attendance at the February meeting of the Central Massachusetts association, which was held at noon on February 28, at the Automobile Club in Worcester. The principal addresses were made by Leon J. Barrett, of Barrett & Snow, Worcester County General Agents of the State Mutual, and Guy F. Wheeler, of the Worcester office of the Provident Life and Trust. Brief remarks were also made by President Waldron, of the Western Massachusetts association, and President Miller, of the Boston association. Both of these gentlemen were present at the meeting as representatives of their respective associations in making arrangements for the New England Congress of Life Underwriters, to be held in Boston in April. The New England delegates present for this purpose other than Mr. Waldron and Mr. Miller, were: Lee C. Robens, Hartford; A. W. Childs and C. A. Parks, Manchester; Leon F. Foss, Boston; M. H. Stearns, Providence, and O. D. Arnold, of the local association. This committee held a session before the regular meeting of the association and decided to hold the proposed congress on April 27 at the Parker House in Boston.

Edward A. Robertson, who was recently elected president of the local association, briefly welcomed the members and guests, and in doing so, made a plea for an increased membership and earnest co-operation throughout his year.

Mr. Barrett was the next speaker, and his subject was "Institutional Advertising." Mr. Barrett, in expressing his views upon this subject, took occasion to criticize the proposed campaign of institutional advertising, which is now well under way under the direction of the National Committee on Education and Conservation. It was his belief that institutional advertising by a combination of interests was not in harmony with the fundamental principles of publicity upon which had been built world-wide reputations for business houses, which were little known in their own community. "If any insurance company has the goods," said he, "by which I mean everything of the company, of the contract, and of the field force, why need it fear to enter, or forbear to enter, the field of competitive advertising! * * * The average public might be slow, probably would be, to 'catch on,' but eventually they would grasp the matter in an intelligent way."

In concluding his remarks he said that in his opinion institutional advertising seemed to be well adapted to promote such confusion that he could not escape the conviction that there was no real need of it.

Guy F. Wheeler addressed the members on "Scientific Insurance Salesmanship." He developed his subject under three heads: apperception; the point of contact, and the importance of being non-combative.

Western Massachusetts.

The annual dinner of the Western Massachusetts association, held in the Nayasset Club, at Springfield, in the evening

of Feb. 20, showed strikingly the growth of the association during the last few years. Over 60 members and guests were present at the dinner, which was generally considered the most successful ever held by the association. Among the speakers were Joseph A. DeBoer, president of the National Life; William W. McClench, president of the Massachusetts Mutual, and Roland O. Lamb, president of the John Hancock. William D. Wyman, president of the Berkshire, and Burton H. Wright, president of the State Mutual, were unable to be present. Mr. Wright's place was taken by Edgar C. Fowler.

Optimism as to the business conditions in the country during the coming year was the prevailing tone of the speeches, although the existence of discouraging elements in the situation was not denied. The speakers also discouraged in emphatic terms the practice of securing loans on life insurance policies. Opposite opinions were expressed on the movement for the elimination of the "part time" underwriter, Mr. Fowler defending his usefulness, while Mr. DeBoer argued that any man engaged in the business should devote his whole time to it. E. B. Ranshousen, retiring president of the association, presided at the dinner and introduced the speakers.

Officers for the association for the coming year were elected at a business meeting before the dinner. The new officers are as follows: President, A. B. Franklin, Jr.; first vice-president, F. W. Fuller; second vice-president, Harry Chittim; secretary, E. N. Worthen; treasurer, C. B. Cone; executive committee, E. B. Ranshousen, E. Milton Allis, Henry S. Waldron, Lowell E. Bailey, A. J. Norton, D. W. Bridgeman, T. E. Trombley. After the business meeting the dinner was served in the dining room, beginning at 6.30 o'clock. Music was furnished by the Janser Trio and by Clair M. Waterbury, whose solos, including "The Stein Song" and a number of popular songs, were heartily applauded.

The speaking began with a review by E. B. Ranshousen of the work of the association during the last year. He told of its study of the occupation of life insurance as compared with other occupations, of the effects of the new currency law and of other subjects connected with the improvement of the profession. He then introduced Mr. McClench, who, after telling a few humorous stories that were uproariously received, gave a brief summary of the business situation for the coming year. Among the good elements of the situation he mentioned the plentiful crops, and among the bad elements the new tariff, the currency bill, the uncertainties of pending legislation and the industrial disturbances. These, he said, are counterbalanced by the general confidence in the resources and future of the country.

President Roland O. Lamb of the John Hancock praised the work of the association and similar organizations in doing away with the old enmity between different insurance companies, and bringing about the present era of free discussion of methods of work and fair treatment. He urged the underwriters to discourage loans on policies. Insurance, he said, can be sold as well by dwelling on the advantages of the policies themselves as by using as an argument their availability for the purpose of securing loans. In conclusion he reminded the men that the reputation of a company depends upon the conduct of the men in the field, and agreed with Mr. McClench that prospects for the year were good. Rev. Dr. W. W. Weeks, of the First-Highland Baptist Church, was the next speaker. He joined with the other speakers in condemning loans on policies, and illustrated his remarks with aptly-chosen stories.

Edgar C. Fowler, the next speaker, opposed the movement for the elimination of part-time men, showing by examples how such men could work into the business and make a thorough success of it. He also disapproved of the movement for having the advertising expenses paid by the companies, that is, by the policyholders, holding that this expense should fall on the underwriters themselves.

President Joseph A. DeBoer of the National gave a closely reasoned analysis of present tendencies in the insurance busi-

ness, illustrated from a wide range of experience. He praised the influence of Massachusetts companies upon life insurance. The argument against loans on policies, he said, was not generally conducted along the right lines. A man has just as much right to put a mortgage on a policy as on a house. The just objection to policy loaning is that it is unilateral—that it makes the borrower a trustee in the care of the assets of the company, without laying on him any corresponding obligations.

Mr. DeBoer delivered a warning against a company's burdening itself with too many protections against ill-health, etc., in life insurance policies. A company's status depends upon its treatment of policyholders at the lowest possible cost consistent with the strength of the company. Nevertheless, a life insurance policy is the best investment on the American continent to-day, he said, because of its ingenious adaptability to the investor's circumstances. In closing he argued for the elimination of the part-time man, saying that life insurance was one of the finest possible businesses, that there are too many soldiers in it at present, and that the men engaged in it should put into it all their time and talents.

Memphis.

Col. R. P. Lake, of the Memphis association, recently entertained the members of that body at his home. R. Henry Lake assisted Col. Lake in entertaining. Following a number of selections on the Victrola, addresses were delivered by Col. Lake, J. L. Ewell, W. G. Erskine and others.

Leslie M. Stratton, president of the Stratton-Warren Hardware Co., was a guest and delivered a splendid address on the benefits of life insurance both to the home and to business. Mr. Stratton modestly admitted that he carried more than \$300,000 worth of life insurance.

At the next regular meeting of the association the subject of discussion will be "The Conservation of Business and the Advantages Accruing to the Agent." W. G. Erskine and R. Henry Lake will report upon the co-operative plan of educational advertising.

Minneapolis.

A joint meeting of the Minneapolis and the St. Paul associations was held in Minneapolis on Feb. 28 at the West Hotel. The members of the St. Paul association were welcomed by President C. J. Carlsen of the local body, who introduced the principal speaker of the occasion, J. Edward Meyers. Mr. Meyers spoke on "The Rights of the Beneficiary." His speech indicated that he had given the subject a great deal of thought and he predicted that in the future all companies would place more restrictions about the granting of loans and surrender values. He also maintained that the wife is vitally interested in her husband's insurance and that policies should be so written that it would be necessary for her to join in signing a loan note to surrender receipt. Hon. M. C. Tift spoke on the same subject. State Insurance Commissioner J. A. O. Preus was present as a guest and spoke briefly upon several matters of interest to his audience.

George W. Harrison, president of the St. Paul association, also gave a short address, followed by Charles J. Hunt, of the same association. Mr. Harrison invited the members of the Minneapolis association to St. Paul on the following Monday to hear J. W. Wheeler, president of the Capital Trust Co., of St. Paul, speak on "The Value of Commercial Life Insurance to Credits."

Montana.

Representatives of several companies operating in Montana held an informal meeting at Missoula on the 16th of last month and took steps to organize a State association. A committee was appointed to draft a constitution and by-laws. I. M. Robertson was elected temporary president and S. W. Hoover temporary secretary. Among those present were: W. I. Fraser, Cuthbert Peat, E. E. Harriott, F. M. Lawrence, T. H. Sawyer, C. E. Burnett, H. K. Rouzer, C. E. Vealey, I. M. Robertson and S. W. Hoover.

New Hampshire.

The annual meeting of the New Hampshire Life Underwriters Club was held on Feb. 16 at Manchester. The elec-

tion of officers resulted as follows: President, R. W. Cheney, Mutual Life; vice-president, C. E. Merritt, John Hancock; secretary-treasurer, C. A. Parks, Massachusetts Mutual; executive committee, A. W. Childs, Travelers; J. A. Wellman, National Life of Vermont; B. O. Baker, Fidelity Mutual.

New York.

L. U. A. N. Y.

Here we are—

Sis! Boom! Sis! Boom!

Rah! Rah! Rah!

We're for clean work,

Always on the square,

Down with the Twister,

And REBATERS BEWARE!

This was the slogan of the 28th annual banquet of the New York association, which was held on the evening of Feb. 24 at the Hotel Astor. Perez F. Huff, a prominent member of the association and associate general agent of the Union Central, was responsible for the words and music of the slogan and directed the cabaret stunts during the dinner. The music of the slogan was remarkably apropos to the ideas it sought to convey, starting off with a sonorous, buoyant swing and gradually descending the scale to a funereal and lugubrious climax which would have struck terror to the hearts of rebaters or twisters had any such individuals been present.

Retiring President Edward W. Allen called attention to the good fellowship which was manifest and this was evidenced by the remarkable attendance, fully 250 members and guests being seated at the tables. Mr. Allen was particularly happy in his reference to the large attendance of Northwestern Mutual men. He complimented T. Reid Fell, who was chairman of the dinner committee, and Perez F. Huff, who was chairman of the music committee. According to the speaker, there had been but a gain of six in membership during the year, but the association had upon its roster a paid membership of 289. The retiring president touched lightly upon the part-time question and briefly discussed rebating.

Two cases, he said, had been brought to the attention of the State Insurance Department and the department had taken no further action than to reprimand the agents involved. The companies were then appealed to and the responses were to the effect that the companies were satisfied with the decision of the Insurance Department. The executive committee, Mr. Allen said, had raised a fund and employed legal counsel, and charges of 21 cases of rebating had been placed in the hands of the district attorney. He felt confident that conviction would follow during the administration of his successor.

President-elect Julian S. Myrick was then introduced, and in the course of his felicitations made mention of the fact that he felt particularly gratified in the wisdom displayed by the nominating committee in proposing a staff of officers which was characterized with an admirable mixture of progressiveness and conservatism. "As a concrete example," he said, "if Lawrence Priddy as chairman of the executive committee becomes too aggressive the other officers will properly sit upon him." Mr. Myrick made a plea for increased membership and referred to the days of 1905-1906 and the work that was accomplished by the local associations at that time, stating that had it not been for the work done, first and second renewal commissions would be much less than now.

Royal S. Goldsbury, general agent of the Northwestern Mutual at Pittsburgh and president of the Pittsburgh association, discussed "The Advantages and Influences of Life Underwriters' Associations." The serious portion of Mr. Goldsbury's remarks was prefixed by a series of snappy and witty stories told in the dry humor so characteristic of the speaker. He referred to his experience as an agent in New York 15 years ago, during which time he knew very few life insurance men and practically nothing about the association movement. He said that he had tried three methods of trying to sell life insurance, but had come to the conclusion that a man cannot measure up to the maximum of his possibilities if he neglects to take advantage of the co-operative spirit of the association movement. In concluding Mr. Goldsbury said:

"I want to leave this thought with you:

Think what is true;

Do what is right;

Make what is beautiful;

And give your service to humanity."

Mr. Allen then introduced William W. McClench, president of the Massachusetts Mutual, who had as his subject, "Co-operation of Home Officers with Life Underwriters' Association." Mr. McClench said that the desirability of such co-operation needed no argument; that in life insurance home and field officers met on a common ground in which all were vitally interested. It was his opinion that many home officers evidenced practical approval of the association movement, and that membership in local associations was of a positive value. He spoke of his personal attitude toward the field man, and stated that he was always glad to meet field representatives, and, in fact, has issued instructions that he be given an opportunity of having a chat with every agent who came to the home office.

Mr. McClench also discussed policy loans. "The companies started policy loans," said he, "and the laws now compel these loans. We hear much in the papers to-day about robbing the widows. Possibly this argument might hold good, but not all beneficiaries are widows." He claimed that loans were frequently of great practical value and had served many times to protect homes, and to ward off bankruptcy of firms. "I feel," said he, "that I am not personally concerned in policy loans and think no solicitor should be criticised because he emphasizes the value of such provisions."

Hon. James C. Cropsey, district attorney of Kings County, followed Mr. McClench and discussed the police bills which were then pending before the Legislature.

Edward D. Duffield, fourth vice-president and general solicitor of the Prudential Insurance Co., was the last speaker of the evening, and his subject was "The Enforcement of Life Insurance Laws Relating to Rebating and Twisting." As the hour was late, Mr. Duffield spoke briefly but pertinently. He claimed that the laws on the statute books should be the highest expression of the people's will, but something more was required than the mere enactment of a law, because of the fact that laws are not self-operative and the effect of a law depends upon the manner in which it is enforced. "I do not believe," said Mr. Duffield, "that life insurance should be the dumping ground of those who have failed in every other line of business, but all our efforts are futile, our existing laws are worthless if we fail to drive out the twister and the rebater."

Mayor Mitchel, who had accepted an invitation to address the association, was unable to be present.

During courses William F. Atkinson, C. F. Donnelly, F. F. Simpson and W. E. Selph, led by coryphee Huff, danced with inimitable grace among the tables, singing parodies of popular songs, of which several prominent members of the association were made the butt.

The officers elected for the year 1914 were as follows: President, Julian S. Myrick; first vice-president, William H. Ryan; second vice-president, R. M. Simons; third vice-president, John S. Tunmore; secretary-treasurer, William F. Atkinson; executive committee, Lawrence Priddy, chairman; F. H. Rhodes, Alfred Siebert, Perez F. Huff, R. K. Stowe and Samuel S. Voshell.

North Carolina.

The annual meeting of the North Carolina association was held in Raleigh, with Hugh M. Willet, chairman of the executive committee of the National Association, and Insurance Commissioner James R. Young as guests. The following committee on education and conservation was appointed: Milton McIntosh, chairman, Charlotte; T. S. Franklin, Charlotte; Mr. Reynolds, Ashville; Arthur Watt, Greensboro; J. D. Boushall, Raleigh, and W. L. O'Brien, Winston-Salem. The election of officers resulted as follows: President, J. P. Quarles, Charlotte; vice-president, J. E. McIlwaine, Charlotte; secretary-treasurer, T. S. Franklin, Charlotte.

North Dakota.

A meeting of the North Dakota association was recently held at Grand Forks. Hon. Tracy R. Bangs, of Grand Forks, was the principal speaker. A banquet followed a brief business session at the Columbia Hotel.

Oregon.

Twenty-eight members and guests of the Oregon association attended the annual meeting of that body. The following officers were elected: President, D. C. Herrin, Union Central; vice-president, F. M. Bradley, Provident Life and Trust; secretary-treasurer, Joseph H. Gray, Germania Life; members of the executive committee, S. P. Lockwood, Columbia Life and Trust; William Goldman, Manhattan Life, and Hubert H. Ward, Pacific Mutual.

An announcement was made by William Goldman that the executive committee had succeeded in inducing the Portland *Oregonian* to devote, once a week, two columns on the subject of life insurance. Dr. A. E. Awde, superintendent of agencies of the Union Mutual Life, spoke on "Institutional Solicitation of Life Insurance."

Hubert H. Ward called the attention of the members to the fact that the local association had a splendid opportunity to lead in the Pacific Coast membership contest because of the large number of managers and agents who were not members of the association.

W. D. Mead, of Seattle, Wash., discussed the Northwest Insurance Congress which is to be held in Portland in June. Mr. Mead made reference to the success of the conference held last year and was confident that the 1914 meeting would be far more successful.

Harry E. Fetsch, of the Pacific Mutual, delivered an address on "Life Income Insurance." Edgar W. Smith, of the Equitable Life, discussed the same subject, and other speakers were William J. Seroy, field superintendent of the San Francisco Life, and Secretary Gray.

Pittsburgh.

Royal S. Goldsberry, retiring president of the Pittsburgh association, presided as toastmaster at the twenty-eighth annual meeting of that association, held on the evening of the 6th inst. at the Fort Pitt Hotel. The election of officers resulted as follows: President, William M. Duff, Equitable Life Assurance Society; first vice-president, H. T. Sawyer, National Life of U. S. A.; second vice-president, A. S. E. Kinsey, Metropolitan; secretary, George W. Ryan, Providence Life & Trust; treasurer, J. M. Kistler, Pittsburgh Life & Trust. The executive committee is headed by William M. Wood, United States Life, and the other members are: James C. Biggert, Penn Mutual; C. K. Brust, State Mutual; F. C. Pierson, Prudential, and Chauncey O'Neil, National Life of Vermont.

Reports of the retiring officers were read showing the work accomplished during the year. Harry T. Sawyer, the retiring secretary, in making his report, stated, in part:

"The association during the year just closed has been very successful, and I am pleased to report that we now enter upon the twenty-ninth year with total membership of 283, as compared with 267 this time last year—a gain of 16 members. It must be taken into consideration that the association suffered normal loss of members either for non-payment of dues, changes in business or address. As a matter of fact, 74 new members were elected during the year.

"I feel that the best way to report the progress of the association during the past year is to briefly review the meetings held.

"At the April meeting, with an attendance of 110, three new members were taken in. A number of interesting talks on 'Soliciting Efficiency' were made and proved of great value.

"The May meeting, with an attendance of 109, was featured by a talk on 'Health Conservation,' and by the use of a stereopticon we were shown the many advances being made in developing manufacturing industries in Pittsburgh and this community. Also, some interesting points were brought out regarding twisting and competition. It was at this meeting

that the suggestion was made to appoint a committee to select members of the association to handle the insurance course at the University of Pittsburgh. Three new members were elected.

"Five hundred and eighteen persons, including members of the association and their friends, attended the annual June outing, which proved a most enjoyable affair, the steamer *Sunshine* being chartered and a trip taken up the Monongahela River.

"The September meeting, although small in attendance, only 80 being present, proved very interesting, as the question of insurance legislation in Pennsylvania, new laws, etc., were thoroughly explained, and the practical subject, 'Policy Loans—Their Use and Abuse,' was thoroughly discussed.

"The thirteenth annual dinner, held on October 6, brought out the largest attendance for any regular meeting in the history of the association, covers being laid for 343, as compared with 227 for inaugural meeting last year. Almost every officer of the National Association, members of the Executive Council and newly elected officers of the National Association were present. Mr. E. J. Clark, new national president, delivered his inaugural address, the only other speakers of the evening being Edward A. Woods, on 'Taxation,' and Warren M. Horner, of Minneapolis, Minn., chairman of the education and conservation committee. Short talks were made by one or two others. Five new members were elected and 66 applications for membership were received, as compared with 62 for the same meeting last year.

"The December meeting, held on December 5, 1913, proved to be one of the most interesting and instructive of the year, only practical subjects being discussed, and a large number of members present took part in the discussion. One hundred and six covers were laid for dinner and 52 members were voted upon and elected to membership.

"The January meeting, owing to the presence of the Rev. W. A. Sunday in Pittsburgh, was changed to a noonday luncheon in order to have Mr. Sunday address the association. The meeting was held in the English Room at the Port Pitt Hotel, 335 persons, including members and their friends, being present. Mr. Sunday gave one of his characteristic talks, and it was at this meeting that the members voted to attend the Tabernacle in a body in the name of the association. This was done on February 20.

"Your secretary is glad to report the affairs of the association in most excellent condition. A new system of book-keeping has been devised which has proved very efficient. The meetings have been well attended. The secretary also wishes to state that 25 members of the association attended the national convention at Atlantic City last September.

"Thirty-eight companies are now represented. There has been a total attendance at the eight meetings of 1,708."

Dr. J. Leonard Levy, rabbi of Rodef Shalom Congregation, spoke on "Co-operative Efficiency." "It used to be considered," said Dr. Levy, "the right thing in business to be foxy. Men and corporations acted independently of one another as much as possible for fear their opponents would find out how they conducted their affairs, and even sought to cripple their contemporaries. But such business methods are happily passing into the discarded ideas of business, and the day of co-operation has already dawned. The elimination of waste has become the problem of life. Directions and simplicity now lead to success. You cannot make people good by law. They must be guided to heaven through a moral tone."

J. Rogers Flannery, president of the Vanadium Metals Co., spoke on the work of the Pittsburgh Industrial Commission. According to the speaker's remarks, there had been a phenomenal increase in the commercial transactions of Pittsburgh during the year, represented by the difference between \$67,000,000 and \$165,000,000. "For years," said Mr. Flannery, "we had use only for big things. We counted tonnage by the billions. Raw materials in seven-figured quantities were our pride. Then we realized that we needed smaller industries to manufacture the raw product into finished ar-

ticles. There was an industrial awakening, and industries employing skilled labor and turning out finished products are springing up here like magic."

Richmond.

With National President Clark as guest of honor, the Richmond association held its annual meeting at the Jefferson, in the evening of Feb. 28.

Former National President Neil D. Sills presided over the banquet in his usual happy style, while Samuel B. Love, manager of the Mutual Life, acted as principal charge d'affaires.

In the course of a highly interesting address Mr. Clark pointed out the appalling waste resulting from lapsations and surrender of insurance. Much of this, he declared, could be saved by systematic effort on the part of individual agents, especially in discouraging policy loans.

Commenting on the improvidence of American people, he said that 85 out of every 100 men in this country leave at death practically no income-producing estate, and yet many of these men are daily contributors toward the \$1,750,000,000 spent during the year for alcoholic drink and toward the \$520,000,000 spent per annum for tobacco.

Prior to Mr. Clark's talk the executive committee of the local association announced the names of five new members. They were R. W. Dodson, Otis W. Gilman, Gesner Harrison, W. J. Shillingburg and Charles G. Taylor, Jr.

Prominent among the guests were W. P. Dodson, president of the Norfolk association; Brooks Marmon, president of the Roanoke association, and H. Wibirt Spence, manager of the Mutual Life at Detroit.

The regular election of officers was held at the Business Men's Club on the evening of Feb. 23. The election of officers resulted as follows: E. M. Crutchfield, president; Samuel B. Love, first vice-president; W. W. Hardwicke, second vice-president; E. W. Marshall, secretary-treasurer. The executive committee appointed was as follows: W. B. Allen, T. A. Cary and Neil D. Sills.

It was decided to organize a Cincinnati convention club and the following members were enrolled: W. B. Allen, D. R. Midyette, J. C. Bristow, L. D. Warren, J. C. Dobbin, Neil D. Sills, W. W. Hardwicke, A. O. Swink, S. B. Love, T. G. Tabb and several others.

Roanoke.

The annual meeting of the Roanoke association was held on the 10th inst., and the following officers were elected: Brooks Marmon, president; H. F. Husks, first vice-president; William R. Moore, second vice-president; J. W. J. Goff, secretary and treasurer.

The applications for membership of William R. Moore, manager of the Equitable Life, and S. H. Davis, special agent of the Mutual Life, were presented to the association and were favorably acted upon. The secretary's report of the work of this association during the past year was encouraging. After a delightful luncheon at the Japanese Tea Room the meeting was adjourned, every member feeling that great things would be accomplished the second year of the association's life.

St. Louis.

The February meeting of the St. Louis association was held at the Mercantile Club on the evening of Feb. 17. The association decided to co-operate with the Citizens' Bridge Committee in an effort to have the adopted approach to the Free Bridge finished as quickly as possible.

W. A. Bilheimer, inspector of agencies of the Equitable Life of New York, gave an eloquent address on the subject of "Life Insurance as a Profession." F. B. Miller, special agent of the Phoenix Mutual, talked on "Needed Legislation." "We need legislation to reduce the State tax on premiums paid," said he, "and I believe the United States is the only country that collects such a tax. England did away with this tax along ago.

"Legislation is needed to govern the employment of new agents. The insurance agent should possess certain designated educational requirements before he is allowed to practice on the public. Certificates of authority from the State

PART TIME MEN!

"This Company will decline to renew the licenses of all men who, after one year's service, are unwilling thereafter to devote their full time to soliciting for this Company."

"(Exceptions to be made in cases of men whose business is exclusively insurance and in rural communities when a reasonable amount of time is given to soliciting, but in neither case will such licenses be renewed if the new premiums fall below the assumed minimum.)"

Many of the best men in the business come from the ranks of the

LEGITIMATE PART TIME MEN!

Every Home Office and every Manager knows the kind of a part-time man we are trying to eliminate from our business!

We are conserving our time in order that we may

MAKE THE GOOD MEN—BETTER!

Phoenix Mutual Life Insurance Company

OF HARTFORD, CONN.

JOHN M. HOLCOMBE, President

are required of many other professions, and our profession certainly is one of the highest in its service to the State.

"A law requiring every insurance agent to be bonded by a reputable company would elevate the standard of the profession beyond the question of a doubt.

"We need legislation that will exact a definite amount of business written to enable a man to continue as a legally licensed agent."

Harry Arnold talked on "Some Principles of Business Success," and J. W. Estes discussed the question of "When Competition Should Cease."

The following code of ethics was unanimously adopted:

The members of the association mutually pledge themselves—

1. To support strict enforcement of the anti-discrimination (anti-rebate) statute of the State of Missouri.

2. Not to advise a policyholder to discontinue his insurance in any company whose representatives are eligible to membership in this association.

3. To cease competition when a bona fide application has been signed and the medical examination completed.

St. Paul.

In the banquet room of the St. Paul Association of Commerce, on the 2d inst., the St. Paul association held its regular monthly meeting, with a record-breaking attendance. The principal speaker was J. W. Wheeler, president of the Capitol Trust Company, whose subject was "Life Insurance and Credit." "I am," said he, "in favor of life insurance as a means to further credit, and to its acceptance as collateral on loans made by banks. Every corporation or firm should have insurance on the lives of its officers payable to the firm in event of death. I have known personally where firms have been saved from disaster through having the lives of members of the firms insured.

"The large corporations believe in and carry life insurance on the lives of their officers to quite an extent. It is the smaller firm which you need to educate. If business men can be brought to realize that life insurance is as necessary as fire insurance, then where there is now one firm there will be twenty that carry insurance. You will have to get the people away from the old idea that life insurance is only for the protection of widows and orphans.

"In selling life insurance to corporations and firms, the firm should be studied and its needs supplied with the kind of a policy to fit. It seems as if most agents try to sell the kind of policy that pays the most commissions. This should be avoided, and smaller firms should be recommended to purchase the cheaper policies."

The members decided to act upon the suggestion made by Mr. Wheeler that the association co-operate with the Bankers' Association and have questions placed on loan application blanks used by members of the bankers' organization.

San Francisco.

A substantial gain in the membership trophy contest was made by the San Francisco association at its regular monthly

meeting, held on the 26th of last month, when 21 new members were admitted. The meeting was held at the Hotel Stewart with a fair attendance. A motion was carried to submit to a vote at the next meeting a proposed change in the by-laws reducing the membership dues from \$1 per month to fifty cents. It is assumed that the change, if made,

Trouble Proof are the Policies

ISSUED BY THE



WILLIAM N. COMPTON

General Agent Metropolitan District

**ST. PAUL BLDG. 220 BROADWAY
NEW YORK, N. Y.**

**THAT'S WHY AGENTS
HAVE A MINIMUM OF
TROUBLE SELLING
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Now Then!



Ball Bearing—
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THE IDEAL OFFICE ASSISTANT

An employer hires a bookkeeper, stenographer or clerk to relieve him of—not to add to his cares.

He asks the same thing of his writing machine.

He wants it to "stand up," to do its work, to be reliable, quick to respond, ready for emergency or long continued work.

These qualities make the L. C. Smith & Bros. typewriter prominent in the typewriter world.

The ball bearings at all frictional points place it in a class by itself from a mechanical standpoint.

Viewed from the HUMAN angle, the operators of this typewriter do more work and are less tired at the close of the day. If you look into the matter closely, you can't reach any other conclusion. Send for free book.

L. C. SMITH & BROS. TYPEWRITER CO.

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meeting, held on the 26th of last month, when 21 new members were admitted. The meeting was held at the Hotel Stewart with a fair attendance. A motion was carried to submit to a vote at the next meeting a proposed change in the by-laws reducing the membership dues from \$1 per month to fifty cents. It is assumed that the change, if made, will aid to a considerable extent in increasing the association's membership.

William L. Hathaway offered a motion that the president appoint a committee to prepare resolutions congratulating John Landers, veteran manager of the Manhattan Life, on the completion of fifty years' continuous service with that company on March 1. The motion was adopted, after which Mr. Landers acknowledged the courtesy shown him, and briefly referred to his early experiences in San Francisco.

The next speaker was Edward E. Moore, of the Tourists' Association of San Francisco Bay and River Counties, who told of the work of his organization in preparing to entertain visitors to the Panama-Pacific Exposition. The association also passed a resolution providing for the appointment of a committee to consider the advisability of the association becoming a member of the tourists' organization. Colonel Harris Weinstock, member of the California Industrial Accident Commission, spoke upon the new California Workmen's Compensation Act.

Syracuse.

Three new members were admitted to the Syracuse association at its February meeting and former National President Charles W. Scovel, who was the guest of honor, was elected as an honorary member.

It was decided to issue a challenge to the associations in Buffalo, Rochester, Utica and Albany for a membership contest during the period from March 1 to May 31, 1914, the contest to be based upon the percentage of paid active and associate members.

Savannah.

The regular March meeting of the Savannah association was held on the 10th inst. The principal event was the ap-

pointment of the following committee on taxation: Julian Schley, chairman, Penn Mutual; W. J. Harty, Massachusetts Mutual, and E. H. O'Connor, Mutual Benefit. The proposed joint meeting of all local associations of Georgia, which will probably be held in Atlanta, was discussed and the idea was unanimously approved.

Tacoma.

The regular monthly meeting of the Tacoma association was held on Feb. 24 at the Commercial Club at Tacoma. It was the best attended and most enthusiastic meeting since the organization of the association. An interesting talk was made by Malcolm Hughes, manager of the Travelers, which bristled with points of vital interest to the members. He brought to light the fact that the successful insurance man of to-day must be a man of ability, integrity and enthusiasm.

Mr. Hughes was followed by Joseph Fouschard, of the John Knox Company, of Des Moines, Ia. Mr. Fouschard gave a talk on the right and wrong method of salesmanship and claimed that everyone had the inherent principles which make for success and that it is only necessary to develop the right qualities and eliminate their opposites.

William Peterson, president of the association, announced a plan which he thought would be productive of good results. This was to have each manager of the different companies represented in the association be responsible for a program for the month for which he was chosen. Mr. Peterson stated that he believed this plan would work out for the best interests of the association. This plan was adopted and the names of the companies were placed in a hat and a drawing was made, with the result that the Bankers Life will prepare the March program, the Travelers will be responsible for the April meeting and the Northwestern Mutual will take charge of the May program.

Texas.

Members of the Texas association are happy over the decision of Insurance Commissioner Collier, who has agreed to revoke the license of any life insurance agent who violates the law of 1909, prohibiting the giving of rebates or any other form of discrimination or misrepresentation. Mr. Collier's

CAN SELL YOU ANNUITIES?

We are the leading specialists in Annuity business.

Special terms for Annuities on impaired lives.

Good contracts for men who can sell our attractive Life, Endowment and Annuity policies.

SUN LIFE ASSURANCE CO. OF CANADA

HEAD OFFICE, MONTREAL.

ROBERTSON MACAULAY, Pres.

T. B. MACAULAY, Man. Dir.

MANAGERS IN UNITED STATES

C. S. V. BRANCH.....Philadelphia, Pa.
HAYES and BROOKS.....Pittsburgh, Pa.
F. C. HOLBECK.....Lansing, Mich.

NEIL D. SILLS.....Richmond, Va.

C. E. KREGLOE.....Baltimore, Md.
ERNEST W. OWEN.....Detroit, Mich.
E. E. WILKINSON.....Port Huron, Mich.

attitude was made plain in a letter which he addressed to W. G. Harris, chairman of the executive committee of the association. While the law has existed since 1909, it has been difficult to enforce, depending entirely upon the local prosecuting attorneys. Mr. Collier's letter follows:

"Referring to yours of February 24, calling attention of this department to the violations of Section 290 of the Insurance Code, relating to rebates and discriminations by soliciting agents of some of the life insurance companies doing business in this State, we beg to advise you that this department fully endorses the attitude of your association in endeavoring to suppress this evil, and you may rely upon the assistance and co-operation of this department to enforce the provisions of the law.

"It is noted that the county officials of some of the counties in the State take no interest and render no help to remedy the conditions. This department has no jurisdiction over county officials; hence cannot render any assistance except in the following way, namely: Upon receipt of the affidavit of any two reputable citizens, showing rebates, misrepresentations or discriminations, as provided in this section, we will revoke the license of the agent complained of, giving him, however, an opportunity to be heard before this department, if he so desires. We trust this will not have to be done in many instances, but that every company and general agency in this State will do their best to eradicate the evil and put the business on the high plane you are endeavoring to do."

Acting upon this encouragement the association has presented several rebate cases to the various grand juries. In the County of Dallas, Thomas F. Ewton has been arrested and is now out on bond. B. E. King has been arrested on three separate charges of rebating and is also out on bond. F. E. Comstock was recently arrested in Houston on a charge of having embezzled premiums on business sold in Collin County. He is now at McKinley, Texas, and his trial will come up in April. A. A. Le Suer, Jr., was arrested at Shreveport, La., by detectives who had shadowed him from California. He is charged with embezzling life insurance premiums he collected in the vicinity of Paris. W. G. Duncan, of Bartlett, is accused of having appropriated money belonging to an insurance company, and a warrant for his arrest has been placed in the hands of the proper officers. J. B. Spinks, of Canton, was recently arrested, tried and convicted for appropriating net premiums.

Topeka.

Frank L. Loveland, pastor of the First Methodist Church, was the guest of honor of the Topeka association at its February meeting. Mr. Loveland in a brilliant address portrayed the life insurance agent as a partner of the minister, helping to save widows and orphans from suffering.

Insurance Superintendent Ike S. Lewis complimented the members on the success which has followed their efforts to establish a high standard of field ethics. Other speakers were Mrs. W. F. Lowrey, Robert Stone, James A. Troutman

and Dr. A. S. Henderson, pastor of the First Congregational Church.

Utah.

"I have attended a good many meetings of insurance agents both in America and Canada, but I do not recall any gathering of a similar nature that gave me as much general pleasure and food for thought as yours of to-night," remarked an eastern insurance man at the conclusion of the annual banquet of the Utah Association of Life Underwriters at the Hotel Utah on the evening of February 28.

"I guess you're right," replied Secretary Will G. Farrell. "And just think," continued the secretary, who had previously addressed the banqueters on insurance conditions prevalent when he first entered the business more than fifteen years ago, "of the change that has been brought about in less than ten years, and it is due to no other cause save the one of organization and getting together. Why, when I first started out to sell life insurance, agents of competing companies looked upon each other as deadly enemies, and one fellow would have his knife out for the other fellow at the slightest provocation. Contrast conditions of those days with the one you have witnessed to-night, when the general agent, the manager, the superintendent, the office man and the field man, representing different companies, can meet as they have this evening like members of one family, and then you can form an idea what association work means and what the associations are doing for the uplift of the insurance profession in the State of Utah."

All of the speakers were happy in the handling of the subjects assigned them, and Attorney E. M. Ellison, the toastmaster, proved himself an adept at the business.

In responding to the toast, "Insurance—a Mayor's Viewpoint," Mayor Park declared Salt Lake City to be the healthiest city of its size in the United States.

"This is no idle boast," he said. "It is a matter of statistics, and thus we have discounted one of the best stories a life insurance agent can tell his unsuspecting victim."

The mayor also said that the government of Salt Lake was absolutely in sympathy with the cause of life insurance, for the reason that each department of the municipality was trying to do its part in rendering substantial aid; the department of public safety in the "prevention of fatalities, from the accidents of disease, crime or conflagration"; the health department in supplying pure milk and the quarantine of disinfection of contagious diseases; the fire department in an endeavor to put down the fire hazard; the police in minimizing crime.

Heber J. Grant, in his "Insurance Reminiscences," referred to his early acquaintances," referred to his early acquaintance with the officials of both life and fire insurances. He regarded the writing of life insurance as the foremost business in the world to-day.

The address of Insurance Commissioner Epseen, of Colorado, who, like Commissioner Willard Done, was formerly a teacher in the public schools and university, dwelt principally with current problems in the life insurance business.



"Hitch Your Wagon to a Star"

Translated from Emerson to insurance language means tie up with

A Prosperous and Progressive Company

Year	*New Life Insurance.	Total Life Insurance.	Accident Prem'n Collections.	Cash Income.	Admitted Assets.	Act. to Exp. Mortality.	Aver. Int. Earned.
1908.....	\$17,820,609	\$100,593,679	\$835,181	\$5,633,124	\$16,100,073	58.96%	5.16%
1909.....	18,232,323	107,245,105	1,007,370	6,164,528	18,429,204	53.50%	5.24%
1910.....	17,986,641	113,882,634	1,276,820	6,750,765	20,765,188	63.90%	5.65%
1911.....	19,702,114	122,514,447	1,515,622	7,445,494	23,363,286	56.85%	5.81%
1912.....	22,378,787	133,309,014	1,739,392	8,199,096	26,243,005	62.28%	6.05%
1913.....	24,088,667	145,040,193	1,944,836	9,079,865	29,338,151	66.47%	6.15%

HOME OFFICE: LOS ANGELES, CALIFORNIA

"The average citizen," said Mr. Epseen, "does not realize the vast importance of insurance in our modern business, economic and private life. Without insurance, business would almost be at a standstill, industry could not thrive, and the dependent portion of the population, women and children, would have but a dreary prospect before them if the father and bread-winner should die."

Before adjournment, on motion of C. W. Helser, a hearty vote of thanks was tendered Mr. Epseen for his able address; and to all who had taken part in the evening's program.

Utica.

James Q. Barcus, of Albany, general agent for the Mutual Benefit, spoke on "Life Insurance, Its Necessity and Its History," in the evening of Feb. 25, in the Y. M. C. A. building. Mr. Barcus was in Utica under the auspices of the Utica association, and following his address he attended a meeting of the underwriters, which was held privately in one of the small rooms at the Y. M. C. A.

Mr. Barcus brought out the fact that every productive life has money value differing in degree only according to the industry, special talents and opportunities of the individual. If a man should die without leaving an income or some manner of maintenance for the family it would be difficult for them to get along. Should this man be earning \$50 a month at the time of his death, his life would have had a money value to his family of \$9,075, for this is the amount of money which would furnish \$50 per month at three per cent. interest. If the family had received \$100 a month as a result of the industry, special talents and opportunities of the wage-earner, then his life had a money value of \$18,149.

Thus it can be readily seen that every productive life has a money value.

Life insurance cannot protect or replace life, but it insures the money value of such a life. If the money value of the wage-earner's life is not insured, then the home cannot be maintained and the plans of the family for the education of

**AGENTS WHO REPRESENT
THE
PENN MUTUAL
LIFE INSURANCE COMPANY
OF PHILADELPHIA**

**HAVE AN INSURANCE CONTRACT
TO PRESENT WHICH IN THE SUM
OF ALL ITS BENEFITS IS UNSURPASSED
IT IS BEST NOT JUST ONE WAY
BUT BEST ALL WAYS
AND ALWAYS
BACK OF IT IS A SIXTY-SEVEN YEAR
REPUTATION FOR FAIR DEALING
WITH ALL ITS POLICYHOLDERS WHETHER
CONTINUING, WITHDRAWING, MATURING
OR DYING**

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—and we are going to show you why in the columns of this magazine, each month.

—Why you can sell more insurance—

—Why you can write business that heretofore you have not been able to close.

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OF CINCINNATI

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the child and his establishment in business cannot be carried out. Thus it may be seen that the insurance of the money value of life becomes a necessity. Life insurance in this manner perpetuates the home, keeping the family together, takes care of the mother, provides ready money to pay debts, saves respect of family, saves one from anxiety in old age, lifts the mortgage on your life promised wife at the altar, and further continues what death would have ended. Life insurance helps one to succeed in life and makes life worth living. Corporations also have realized the money value of the lives of many of the men in the partnership and have taken out life insurance on these men payable to the corporation. In this city during the year 1912 \$618,000 was paid in life insurance.

Webster County, Ky.

A new association was recently organized in Kentucky, with headquarters at Henderson. It will be known as the Life Underwriters' Association of Webster County, Ky. W. T. Lamb was elected president, J. W. Bartlett secretary and A. W. Toy treasurer.

West Virginia.

The West Virginia association held a meeting on Feb. 21. The principal feature was a discussion of the proposed institutional advertising campaign of the National Association, and the following local committee on education and conservation was appointed: H. M. Kimberland, F. A. Armbruster and J. E. O'Brien.

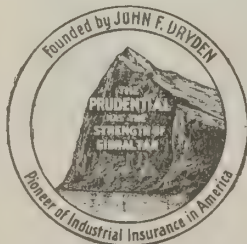
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Our Field force is "Cheerful" over the yesterdays of 1913—both issues and deliveries were larger than in the phenomenal year 1912. Our Field force is "Confident" in respect to the "To-morrows" in 1914. Already they have made a fine start, and they face the future fearlessly, filled with faith in their country, with pride in their business, and with devotion to their Company.

Occasionally we have an agency opening for a delivering producer.

JOSEPH C. BEHAN, Supt. of Agencies

Massachusetts Mutual Life Insurance Company

Incorporated 1851

Springfield, Mass.

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OF HARTFORD, CONN.

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Life and Endowment Policies

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Agents will find that the policies of this Company cover a wider range and provide greater benefits than others, and are therefore easiest to sell.

Experienced and successful men, also successful men without life insurance experience, may find satisfactory opportunity with the AETNA LIFE. Address:

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134 Monroe Street, CHICAGO.

Life Association News

OFFICIAL ORGAN OF THE NATIONAL ASSOCIATION OF LIFE UNDERWRITERS

Entered as second class matter, Feb. 4, 1907, at the Post Office at New York, N. Y., under the Act of Congress of March 3, 1879.

Vol. 8.

NEW YORK, APRIL, 1914.

No. 8.

SOME POINTS CONCERNING SALESMEN AND THEIR MANAGEMENT.

THE LIFE INSURANCE SOLICITOR THE MOST ACTIVE OF ALL SALESMEN AND HE MUST OF NECESSITY BE ALIVE TO HIS OPPORTUNITIES.

The Specialty Salesman, Par Excellence, Who Must Have the Ability to Create Interest Where None Exists and to Carry Negotiations to a Successful Conclusion.

This is the text of an address before the St. Louis Association by T. W. Van, manager of the Koken Barbers' Supply Co. The principles at the foundation of all successful salesmanship are much the same, and herein will be found suggestions of great value to the solicitor who is seeking short cuts to individual efficiency.—Editor's Note.

I know nothing of the individual problems of the insurance solicitor or sales organizer, but I am forcibly impressed with the magnitude of the business, realizing fully that no other single industry compares to that of insurance in its various forms.

I am also impressed with the fact that the kind of goods which is sold by the great insurance organizations of our country is of a kind which means much for the happiness, contentment of mind and general welfare of our people.

The individual solicitor of insurance is to my mind the most active of all salesmen, and must of necessity be one of the keenest. The insurance salesman in most cases, if he is one who makes a record for himself, is always working on new customers. He is the specialty salesman par excellence, the peer of them all, with an ability to create an interest where none existed, and carry it to a successful conclusion for the benefit of himself, his customer and his company.

The Limit Reached.

Each time I look in my safe deposit box I am impressed with his ability when I see the stock of insurance certificates covering all phases that has been sold me personally in times gone by, until the limit has been reached and I am no longer a prospect.

If I were to use a Biblical text in describing them, I would take the one where it is said that "the hand of the diligent maketh rich,"

No two people agree in the organization and management of salesmen. Each line of business sees this problem from its own angle. Fundamental principles are always adaptable, and to both the salesmen and the manager of the sales department and the company itself I know of no one fundamental principle that is as important as the policy of the company.

In these days we have come to learn that there is a vast difference between "honesty being the best policy" and policy honesty. We have come to learn that permanent business depends on the square deal. Therefore, as a first and important principle fundamentally adaptable to the insurance

business as well as to any other business, I can lay down that of the *square deal policy*.

First of all, to the customer; second, to the salesman; third, to the house, and fourth, to the competitor,

It is so self-evident that to continue in business a customer must be a satisfied one, which can only come as a result of a square deal policy, that I take it is not necessary to temporize on this self-evident fact.

The company policy as concerns the salesmen should be one, first of all, which takes into consideration his equipment. It is unfair to send any salesman out into the maelstrom of modern competition unequipped to battle with the waves which roll in such a tempestuous manner in the business world of to-day. It is not fair to throw him into the deep water and let him swim or sink.

The square deal policy will from the very start take the salesman in hand and familiarize him with the business and his part in it. The manager of the sales force will find that in this way alone is he able to reduce friction which is sure to come in the future if this important work is overlooked.

No Vacillating Policy.

The salesman must be convinced of the stability of the policy of the house. A vacillating policy will be reflected in the efforts of the salesmen immediately.

If inside prices or special privileges are granted to favored customers, it will be mighty hard to convince the salesman that his particular friends should not be taken care of in the same manner.

I do not hold that any sales organization will produce a perfect salesman. I do hold that it will accentuate certain qualifications which work to that end, and some of the things which it should do are:

First.—Give the salesman the very best knowledge of his line. In this way only will he be able to carry conviction to his prospective customers. Such organization will keep adding and improving the salesman's selling talk, supplying him with new and reserve arguments and with good answer for every objection.

Second.—It will help him with the problem of how to approach customers, in so far as it can classify and group these customers.

Third.—It will impress him with the importance of many things which will be aiding him in his work, such as good personal habits, appearance, etc.

Fourth.—It will warn him particularly against the use of slang and all breezy approach.

Fifth.—Above all it will develop self-confidence in the salesman—a confidence which will breed enthusiasm and which will be of such a marked degree that it will be transmissible from him to his customer, and be reflected in the number of policies he is able to write.

Sixth.—A proper sales organization will enthuse with a kind of enthusiasm that enables him to so burden his words with a feeling of sincerity that he is able to quickly reach both the mind and heart of his prospect.

It is a well-known fact that many a man who does not know the line, if properly enthused, makes a good salesman when others who know the line thoroughly, without enthusiasm, are poor salesmen indeed.

The Good Closer.

Seventh.—A proper sales organization will teach a salesman to be first of all a good closer, but since no man can close all the orders that are placed in his territory, it also teaches him to be a good loser.

Some people are bad losers; indeed, so much so that they hurt both their company and their future prospects by the manner in which they take this loss. We have all seen this kind of salesmen.

Particularly does it impress him with the fact that each loss can be turned to good by properly studying the underlying causes. Many a lost order has made better salesmen—more profitable to themselves and their company.

Eighth.—Most salesmen are loyal, yet as much as it is to be regretted they will occasionally talk disparagingly about their employer and the condition under which they are compelled to work or sell.

Nothing is more reprehensible in a salesman, for by every law of logic while he is in the employ of the house, and drawing from it his daily bread, he should defend his company; under no circumstances should he ridicule it.

If wrongs should be righted, there is the proper man always to go to. He and he alone should be put wise to the facts, and if harmony between the salesmen and the house cannot then be brought about, and the salesman cannot adjust himself, the proper thing for him to do is to resign in the interests of the organization and look elsewhere for a new berth.

Habits of Knocking.

Ninth.—The manager of a sales force knows that nothing lessens the efficiency of the force so much as to permit them to fall into the habit of knocking. Most salesmen who lose an order jump at the conclusion that the one who got it did so by unfair means. He justifies his failure oftentimes by a report largely of surmise.

Unless managers are careful, they are apt themselves to get into the habit of believing these reports, which are only excuses of the salesman to placate such a failure. Such managers are making a great mistake, and are looking at business from a narrow point of view when they permit themselves to get in this state of mind.

When salesmen bring in such excuses they should be discouraged. Salesmen themselves should rise above justifying failure with knocks, for this habit is sure to carry its own penalty, for in the course of time he will lose his faith in human nature, and likewise his nerve to fight will be shattered.

To every salesman and every sales manager I would say, that where reports on a lost sale are a matter of office requirement, that these reports under all circumstances should be written out, nothing should be put thereon that is not a thing that can be substantiated easily.

Above all things, forbear against regarding mere hearsay and mere surmise. By this system a salesman himself comes to realize that reasons of surmise are not reasons of fact, and he will commence to look at lost orders from the proper viewpoint, and not one which consists mainly in vilifying his competitor, who, like himself, is traveling through this world in the same boat, and who in turn can rock the boat quite as much by the same means.

I stated that a square deal policy took into consideration the competitor. I believe that in these days the competitor is being looked at from a different viewpoint from what he was a few years back.

A Community of Interest.

Competitors are coming to realize that there is a community of interest, and that there is a spirit of fair play in business, and that the measure of the success of every company is the measure of its ability, resourcefulness and quality of the service it is able to render its customers.

The manager of salesmen should give more thought to the competitor, realizing that, like you and I, he is a man who in the long run we will meet at the same common point from whence we started, and that as we travel we can get a deal more contentment and pleasure out of business and life if we travel together as friends, rather than as mortal enemies, like the cats of the poem in which it is said

"There were once two cats of Kilkenny,
Each thought there was one cat too many;
So they scratched and they bit,
They fought and they spit,
'Till, excepting their nails
And the tips of their tails,
Instead of two cats there wasn't any."

The insurance salesmen I have known seem to be equally good as collectors and solicitors. They seem to be well grounded in the fact that a sale is not a sale until the first premium is paid, either in part or in full—in some manner a consideration or clincher is procured.

To the organizer of such successful salesmen I doff my hat, for I appreciate fully the training that is required to produce at one and the same time such a combination as a good solicitor and a collector, when they are so notoriously non-existent in the natural world.

A friend of mine has described to me the insurance salesman as a ship turned out without a chart or compass, yet who has within his hull a good steam-producing apparatus, and when he has become becalmed after running down all the barnacle hauls he calls prospects, he is able to get up steam and go after new prospects.

Benefits of Conventions.

I am a great believer in salesmen's convention or salesmen's councils; first, because younger salesmen come in contact with older men and are thereby enabled to add to their equipment; second, older salesmen get ideas which come from young blood coursing through a younger and more inventive brain. "Out of the mouths of babes and sucklings sometimes comes wisdom," and many old salesmen frankly admit that they have gotten original ideas from the youngest on the force.

Salesmen, in this wise, not only benefit themselves, but benefit their house and their manager of sales by conserving his energies and by coming together learn how this work involves other departments around their institution and their relation and responsibility thereto.

I believe in salesmen's conventions and salesmen's councils being developed entirely by the salesmen. I believe in their being planned from the salesman's point of view, because of the fact that salesmen know what they want.

To my mind many a manager of sales, when calling his salesmen together, makes a great mistake by having a cut and dried program, one entirely from the house point of view.

Out of courtesy the salesman kindly sits and takes it all in, much of it he can use, yet the keenness of his interest is not to be compared to that when the program is one

largely arranged by the salesmen themselves and packed full of salesmen's problems, which during the last year have caused them trouble and upon which they want help.

This Program Committee should at all times work with the head of the sales department from his larger view and an intimate knowledge of the salesmen's most prominent weakness he is able to add much which strengthens and helps.

Properly managed, these salesmen's conventions or councils are conducive of an esprit de corps which after all is the thing which must be established in every well-organized sales organization to get really effective results.

Now.

There is always a beginning, but—when?

Every undertaking must have a beginning—must have its initiative, and this first step seems to be the most difficult, while natural hesitation make the difficulty appear greater than it really is.

Hesitation inclines to procrastination, to putting off—something no one can afford to do—something that is a serious hindrance, if not in a great measure fatal, to success.

Now is always the propitious time, *Now* is all the time a man has—the only time that he can be at all sure of. No one can be sure of to-morrow.

If the undertaking is worth the effort, the time to make it is *Now*. "Now or never" is a trite truth. If not now it may never be made.

It is the man who starts now who wins out in the end.

There is nothing so potent for success or failure as the effort or non-effort of *Now*.

Waiting for a more convenient season, for a more propitious time, is a chimera, a delusion, a snare. The convenient season, the propitious time, is now.

There is a marked difference between *Now* and *Then*.

Now is definite, positive—means "Something doing." *Then* is indefinite, uncertain—it means—well, perhaps.

Man can reasonably count on the results of *Now*—the results of *Then* are "up in the air."

A man who is taking it easy *Now* and waiting for to-morrow to open for him an easier way is trifling with fate and deserves to have failure written across his life's pages.

That which a man is doing now is the all important thing—that which he is going to do—it all depends.—*Preferred Pilot*.

Believe in Yourself.

Did you ever notice what unbounded confidence every successful insurance man has in himself? He really believes himself to be an exceptionally able salesman—and the main reason why he is that very thing is because he believes himself to be. In other words, he is what he believes himself to be. His belief in himself has a great deal to do with his actual accomplishments.

Confidence in your ability is an invaluable asset. No man ever accomplished any great result who did not first have confidence in his ability to do so. Every successful general of the armies of the world was a man with a high opinion is to his own ability. If you doubt this statement, just read what historians say of Caesar, Napoleon, Washington, Grant, and every other great general who won a place for himself in history.

The secret of success is within you—not without. If you earnestly believe you can build up a large and profitable agency and then back up that belief with a determination to make it a reality, your ultimate success is half won. Shakespeare knew what he was talking about when he said: "Our doubts make cowards of us all." Nine out of every ten men who have failed in the insurance business owe their failures to the fact that they listened to the poisoned whisperings of doubt, laziness and procrastination.

Why should we permit ourselves to labor under the delusion that our possible accomplishments are limited? Every man owes himself supreme confidence in his ability and owes his career the best work of which he is capable. Confidence in self is the motive power that propels every successful man.—*Agents' Record*.

GOOD WORK ACCOMPLISHED BY THE INFANT ASSOCIATION OF THE SOUTHWEST.

The Texas Association, Less Than a Year Old, Starts Aggressive Campaign to Eliminate Twisting, Rebating and Embezzling.

Probably no local body affiliated with the National Association has accomplished more in the same space of time than the Texas association. This association was organized less than a year ago, but the results which have been accomplished in that short space of time seem almost incredible.

After the association had gained sufficient headway to inspire confidence on the part of the active insurance men in the State, a definite campaign was inaugurated to eliminate the four pernicious evils of the insurance business. There existed in Texas the active rebater, the embezzler, the twister, and an army of men continually soliciting insurance without licenses. The rebater was so vicious in his work that many times he threw out a challenge to honest insurance men in the State, claiming that he would do as he pleased with his money. Declaration was openly made that a man could not be indicted in Texas for rebating life insurance premiums. But through the effective work of the association throughout the various counties of the State the enthusiastic support of county attorneys was enlisted and a number of cases have been brought to trial.

Perhaps the most discouraging and costly factor that the general agents in Texas had to contend with was in the matter of embezzlements. The books of one prominent general agency show over \$30,000 that this particular agency lost through agents in the field embezzling premiums and in failing to refund them where applications had been declined. We are told by a reliable authority that this has been rather a common experience.

Detective Employed.

The officers of the association found some typical cases of embezzlement and a confidence man was employed and put on the cases. All necessary information relating to each case was obtained and the men were then indicted by the grand jury and warrants were issued for their arrest, with the following result. An agent was arrested at Canton on a warrant charging him with embezzlement of a company's net premiums. He was tried, convicted, and is now looking through the bars. Another case from Collin County was investigated, the agent indicted, and a warrant placed in the hands of a sheriff for his arrest. He was finally apprehended in Houston and returned to McKinney, the county seat of Collin County, where he is now in jail awaiting his trial, which will come up in May.

There was one case which deserves special mention. One man had been particularly active in withholding funds, and the ledgers of various offices showed debit balances of \$200 to \$2,000 on account of this man's operations. A case was found where he had collected a premium near Paris and had failed or refused to return the premium to the applicant after receiving notice that the application had been declined. The detective employed for the association worked up the facts and the agent was promptly indicted and a warrant issued for his arrest. In the meantime he left Texas. Information was placed in the hands of the Thiel Detective Agency and the agent was traced from Texas to California, from California to St. Louis, Mo., from St. Louis back to Little Rock, Ark., from there to Springfield, Mo., and finally down to Shreveport, La., at which point he was located. Extradition papers were secured from the Governor of Texas on the Governor of Louisiana. He was arrested and returned to Paris.

The association has devoted the larger portion of its time and effort to the stamping out of the rebater and the embezzler, which are the two big problems in Texas. While the work has required considerable time and money, the officers and members of the association feel that it was worth the price paid. The association is growing rapidly and constantly extending its sphere of effective activity.

THE FOREHANDED MAN.

For a Man with a Family and Not a Fortune, the Most Important Investment of All Is Life Insurance. The Simplest and Surest Thing in the World.

This article was written by Will Payne and appeared in a recent number of the "Saturday Evening Post." It is reproduced here with special permission. Mr. Payne tells nothing particularly new to the experienced Life Insurance solicitor, but his viewpoint is remarkably clear and convincing. It will show you how to present a simple and non-technical argument to a prospect who imagines that Life Insurance is too intricate to be easily understood.—Editor's Note.

For any man who has a family and not a fortune, by far the most important of all investments is life insurance. For a young man who has no family it is a good investment too; for he can, to so speak, invest his youth and health in it, and later on he may have dependents when youth and health are gone.

No insurable man, with wife and children who would be deprived of their support by his death, can afford to go without life insurance for a day; in fact, I believe it would be a good thing to make life insurance compulsory for married men without fortune.

Eugenics proposes that a doctor's certificate of sound health shall be a condition, precedent to the issuance of a marriage license. I would make the prospective bridegroom show his life insurance policy too. If it is to the interest of society that only healthy parents have children it is equally to the interest of society that some provision be made for the child's support in case the father dies.

There is still a good deal of silly prejudice against life insurance among young, sentimental and inexperienced women. They call it taking blood money for a husband's death. That is nonsense. If every wife felt that way, and every husband were guided by his wife's feeling, there could be no life insurance, and thousands of women and children who are now somewhat provided for would be plunged into beggary.

Simplest Thing in the World.

Life insurance is really the simplest and surest thing in the world. That it is not universally so understood is largely due to past sins of the life insurance companies themselves. In the palmy days before the Hyde explosion, when the big companies were striving to accumulate the greatest possible mass of assets, life insurance agents seldom clearly explained the business.

Instead of talking straight life insurance they talked endowments, annuities and various other investment frills. They boasted of their company's big dividends; insisted that the insured in their company did not have to die in order to win, and in general strove to create an impression that a life insurance company might be a sort of magic cornucopia out of which the policyholders could take more money than they put in.

As practically all life insurance is mutual—whether the company be nominally mutual or one with capital stock—the policyholders cannot possibly take out more than they put in, plus accumulated interest at about 4 per cent.; and in any form of straight life insurance you do have to die in order to win.

Turn, for example, to the vital statistics of Massachusetts. You will find that for years the annual death rate per

thousand has never been less than 15 or more than 17. Suppose the State undertook to pay \$100 on every death. There would be nothing uncertain about its calculations. It would say:

"Not less than 15 or more than 17 people out of every thousand will die this year. To be on the safe side we must provide for the higher number, which will entail an expenditure of \$1,700 for each thousand inhabitants. So we will levy a tax of \$1.70 on each inhabitant, and that will provide a fund sufficient to pay \$100 on every death."

It is astonishing how evenly death falls on people under modern conditions when great plagues are unknown. In any large, populous area just about the same number in a thousand die each year. In all civilized countries, it is true, the death rate tends to fall, but the decline is gradual; and it would be perfectly practicable to insure *en masse* the population of any State or civilized country. The amount of death benefits to be paid could be figured out with substantial accuracy years in advance.

The Death Rate.

There is a great difference, however, in the death rate at different ages. Taking the whole registration area of the United States—that is, the area comprised in those States which keep vital statistics—nearly one-fifth of all the deaths are of infants under one year of age. More than 27 out of every 100 deaths are of children under five years of age; but children from five to nine years of age account for little more than two out of every 100 deaths.

The life insurance actuaries have been studying these vital statistics for a century and checking up by the experience of the companies. Thus they have constructed mortality tables that show with substantial accuracy the greatest number of persons out of every thousand of a given age and living under ordinary conditions that will die in a year.

Of any three policyholders of the same age and in good health on January first one may die during the year and two survive; or two may die and one survive; or all three may die; or none may die. Of any ten policyholders of the same age one may die during the year; or nine may die; or death may take all ten, or none. But out of 10,000 policyholders of the same age the number that will die during the year may be accurately foretold.

The Arithmetic of Insurance.

Suppose now a hundred thousand men 21 years old should get together on January first and agree to pay \$1,000 to the heirs of each of them who died during the year. Turning to the mortality table they would find that 785 was the largest number that would die in a year; so they must provide that number of benefits—or \$785,000 in all. Each of them contributes \$7.85, thereby making up a fund that will surely pay all the death claims accruing during the year. There is no guesswork or uncertainty about it.

Suppose they wish to continue the arrangement another year. The death rate will be a trifle higher that second year, because they are older. At the same time there will be fewer of them to contribute to the fund, because of the number that died the first year. Consequently each one will have to contribute a little more the second year than in the first.

So in each succeeding year, as the death rate mounts and the number of survivors declines, the yearly contribution rises higher and higher until finally there would be a solitary survivor 90 odd years old, who would dutifully pay \$1,000 into the fund at the beginning of the year, which sum his heirs would receive when tardy Nature finally removed him.

Nobody likes an arrangement under which he pays more and more every year. So the actuaries equate the payments the average life would make and spread them evenly year by year. Thus—allowing interest at the rate of 3 per cent., which is disregarded in the preceding paragraphs—a man

aged 21 is entitled to a thousand dollars insurance for that year on contributing \$7.62 to the fund; but 20 years later, when he is 41, he must contribute \$9.71—in another ten years \$14.11—in another decade \$28.03.

However, if at 21 he begins by paying \$14.72 he may continue paying that same sum—neither more nor less—every year. At first, so to speak, he pays too much; but as he gets older he pays too little, and the accumulated over-payments of his early years make up the deficits of his older years.

I have taken the figures of the American Experience Table of Mortality, which is commonly used by life insurance companies, and have disregarded expenses and fractions. There are other tables yielding somewhat different premiums; but the main point is that insuring lives is perfectly simple and certain, because out of a large number of people the proportion that will die in any given year can be foretold with substantial accuracy; and to tell how much each one should contribute in order to meet the death claims that will accrue in any year or in any number of years is a mere matter of arithmetic.

Companies Merely Custodians.

The life insurance company is merely the custodian of the fund its policyholders make up in order to pay one another's death claims. These contributions to the fund are called premiums.

As a matter of fact all conservatively managed companies base their premiums on a death rate considerably higher than the actual one. They want to be on the safe side. Also they add to the premium a certain "loading" to cover expenses; and this loading is rather more than expenses actually come to.

In short, they collect from their policyholders every year more than is really necessary to meet the death claims and pay expenses. And the next year they hand back this overcharge, together with interest, in a rebate that is misnamed a dividend. This rebate has, in fact, no resemblance to a real dividend, but is merely an overcharge, collected in order to keep on the safe side, which is handed back when the year's business has shown that it was not needed.

This is straight life insurance, to which, however, a great many investment features may be added. Our 100,000 young men, referred to above, find that \$7.85—or \$7.62 if interest at 3 per cent. be allowed—will create a fund sufficient to pay \$1,000 to the heirs of each of them who dies during the year. "But," they say, "we want something left over at the end of the year."

So each of them pays in two dollars more, and at the end of the year, besides meeting all death claims, they have a fund of \$206,000, supposing the bank in which the fund is deposited allows them 3 per cent. interest.

In the same way the life insurance company finds out from its mortality tables how much you must pay in order to carry straight insurance on your life. Then, if you want the company to pay you a thousand dollars in cash at the end of 20 years—or any other sum at the end of any other period—it will figure out how much, in addition to the straight life premium, you must pay in order to create the amount you want to receive in the specified time.

If You Only Knew.

Or, if you want to stop paying premiums at the end of 10 or 20 years, the company can easily calculate how much more you must pay each year in order to accumulate in 10 or 20 payments a sum equal to what you would have paid in if you had continued paying every year during your expectancy of life.

All these things are simply investment features added to straight life insurance; and straight life insurance is nothing more or less than a mutual agreement among the policyholders to contribute in just proportions, as established by

mortuary statistics, to a fund that will surely meet the various death claims accruing against it.

Assessment insurance is exactly the same sort of mutual agreement in a crude form. As we have seen above, if our hundred thousand young men adopted assessment insurance, and admitted no young newcomers to their ranks, their payments would steadily increase year by year, until finally one hoary survivor paid in the whole amount of his policy.

Generally speaking, it may be said that assessment insurance is good for the time being, and a man who cannot meet the higher payments of old-line insurance should certainly take assessment insurance; but the insurance that is based squarely on the experience of mortality and which does not depend on the taking in of young members is best.

You may insure to-day and die to-morrow, in which case the company will pay you a great deal more than it received from you—or you may insure to-day, at the age of 21, and live to be 95, in which case you will have paid the company more than it pays your beneficiary; but it is absolutely immaterial to the company whether you die the day after you insure or live to be 95, because out of all its policyholders only a certain number will die in a given year and only a certain number will live to be 95. It gets the average.

It, beginning at 21—or any other age—you reach just the average length of life you will have paid in as much as your beneficiary receives—interest considered. If you knew you were going to reach just the average length of life you would be as well off to put your premiums in a savings bank; but you do not know. Hence the necessity of life insurance.

Most Business Not Written in Competition.

Experienced life insurance men state that at least 95 per cent. of all business written is secured not in competition with representatives of other companies. We believe this to be absolutely true. This being so, we cannot understand why so many men spend so much time digging into forgotten history to find something about this company or that—not the good thing, mind you, but anything which can be made to appear derogatory—instead of studying how to meet any objections the prospect may make, instead of studying the prospect, his means, the reasons why he should insure and which policy best suits his individual case. Every spare minute an agent can take from the actual work of canvassing should be put into work on the line how best to present his company and its advantages, into studying and becoming perfectly familiar with the policies of his company. To discount in any way any other company discounts your own. Do not invite competition by any suggestion. Smother the other fellow's competition by praise of his company and his policies. This will prove your greatest force in meeting competition, and will disarm at once any antagonism. Raise the dignity of your calling and you will command respect and attention.—*Prudential Record*.

How About Your Punch.

You know that fellow who died several years ago, but he didn't know it; he's a dead one, he is still walking around dead—just like a suit of clothes walking the street. He has lost his punch, needs a self-starter, he needs a spark-plug and an electric battery, and a fire under his dry rot to start it. "RUT," that's it, he is in a rut. Someone said the difference between a rut and a grave is the length and the depth. In our business men, and good men, too, get into the rut. No spark, no spunk, no punch, no life, no enthusiasm, no mirth in their laugh, no fun in their jokes. No: they are walking around in a TRANCE. When you feel that feeling coming on, run like a scared devil, keep as far away from the influence as you can, and then you will never be overcome by that slow death, or that sleeping sickness, which means that you are dead for years before your folks bury you. BOYS, DON'T LOSE YOUR PUNCH.—Berrett & Snow's *Marksmen*.

THE NEW ENGLAND CONGRESS OF LIFE UNDERWRITERS.

Meeting to Be Held at the Parker House in Boston on April 27. Excellent Program, with Prominent Speakers. Large Attendance Expected.

Realizing the inconvenience of a large number of life insurance agents located in New England in attending the annual convention of the National Association, prominent members of local associations throughout that section of the country began to make plans early this year to hold a congress of life underwriters. The idea originated on the Pacific Coast, where last June there was held the Pacific Northwest Life Underwriters' Congress, which proved to be a remarkable success.

Plans for the New England Congress will follow along the same lines as that of the Northwest Congress and will have the same objects in view. The meeting will in all respects be a small convention and the benefits which will accrue from it will be similar to the inspirational and educational features of the annual national meeting.

A temporary organization was formed at the January meeting of the Connecticut association and H. S. Waldron, a prominent member of the Western Massachusetts association located at Springfield, was elected president; Otis T. Arnold, of the Central Massachusetts association, was elected vice-president; E. E. Decker, of Portland, Me., second vice-president; Lee C. Robens, of Hartford, secretary, and C. C. Miller, of Boston, chairman of the executive committee. After several conferences it was decided to hold the congress on Monday, April 27, at the Parker House in Boston. A morning session will begin at 10.30 and there will be a buffet lunch at noon. The following is an outline of the program, which will, of course, be subject to certain modifications as circumstances may develop:

The Program.

Address of welcome, Percy V. Baldwin, of Boston, member of the Executive Committee of the National Association of Life Underwriters.

"The purpose and Value of the New England Congress," Henry S. Waldron, of Springfield.

"Securing and Developing Prospects," Franklin W. Ganse, vice-president of the Boston Life Underwriters' Association.

"Psychology of Salesmanship," Guy F. Wheeler, of Worcester, Mass.

"Life Insurance Taxation," Edward A. Woods, of Pittsburgh, Pa., vice-president and chairman of the Committee on Taxation of the National Association of Life Underwriters.

"Income Insurance," Charles W. Scovel, of Pittsburgh, Pa., ex-president of the National Association of Life Underwriters, who addressed the National Association of 1913 on this same subject.

The committee having the matter in charge has issued an announcement in which it is stated:

"Efficiency is the watchword of the day, studied by all classes of business and professional men, and to be efficient as a life insurance agent one should be thoroughly informed on all phases of the business. We believe that this program as arranged will help to promote the efficiency of every man who attends, as the topics to be discussed are of vital importance and value and the speakers are particularly well versed in their respective subjects. It is sincerely hoped that there will be a large attendance, and every agent who has a license and carries a rate-book is cordially invited to attend, whether or not he is a member of a local association. As this meeting has been arranged for a Monday, attendance will necessitate but one day's absence from business. Those planning to arrive in Boston on Saturday or Sunday who prefer accommodations at the Parker House should make reservations at an early date."

HOW THE SUCCESSFUL LIFE INSURANCE AGENT THRIVES ON EXCUSES.

The Old Story of How "It Cannot Be Done" a Myth.
The Only Agent Who Does Not Meet with Excuses
Is the Agent Who Does Not Work.

The cry of the weakling is "It can't be done." With all the facts in hand we often reach the conclusion that the reason some particular prospect was not insured was because the agent did not work hard enough. All things considered, the "Can't be done" propositions in Life Insurance are very few. Such cases exist largely in the mind of the agent. Hubert H. Ward, who is responsible for the following story is the original GUY WHO PUT THE CAN IN CAN'T.—Editor's Note.

"There are thousands to tell you it cannot be done;
There are thousands to prophesy failure;
There are thousands to point out to you one by one
The dangers that wait to assail you:
But just buckle in with a bit of a grin,
Then take off your coat and go to it;
Just start in to sing as you tackle the thing
That 'cannot be done,' and you'll do it."

The above quotation is the last verse of a poem by Edgar A. Gust, and it strikes me as being peculiarly appropriate to the "knight of the rate book." For each man who tells you in your canvassing that "it cannot be done," you can point to others in proof that it *has been done*. To what do I refer? To that which you have for sale, the protection of life insurance. There are many on whom you call who will try to sidetrack you from the purpose of your call by pointing out "the dangers that wait to assail you." In other words they are prolific with their *excuses*. What then should you do in your effort to overcome those excuses, those "dangers that wait to assail you"? "Just start to sing as you tackle the thing"—"and you'll do it."

Never Stops at Excuses.

The life insurance agent who does not meet with excuses is the one who does not work. The agent who works is the agent who *sees* prospects, and the harder he works the more prospects he sees, and the more prospects he sees the more excuses does he had handed to him—the more "can't be done's." But if he is alive to his job and has the situation well in hand, he does not stop at excuses, he uses those excuses as so many blocks of rough stone on which he must work his chisel in an effort to carve out the complete statue which dies hidden in the stone. The excuse for not taking life insurance does not exist which can not be ultimately reasoned away, provided the right man is there for the interview at the right time. The wrong man will give way to the excuses, but the right man will in most cases get around, get over, get under or go through those excuses one by one.

Do you work early and late? Are you the first man in the office in the morning and the last man out at night? Are you the first man out of the office and on to the street in your soliciting campaign in the morning, and are you the last man to return to the office at night from that soliciting campaign? If you are, then you have met—perhaps not your thousands—but you have met men who have told you during your day's work that "it could not be done"—you have met men who have prophesied failure—you have met men who have tried to point out to you, one by one, the dangers (excuses) that wait to assail you. Do you back out with a frown and quit, or do you "take off your coat and go to it with a bit of a grin?"

There is about twenty-eight to thirty billion of life insur-

ances in force in the United States; old line and assessment together. This means that there is about \$300 per capita of the population of the United States. It is a silent witness to the fact that too many agents have listened to excuses from their prospective purchasers—that they have turned away too soon—that they have closed the interview on the wrong side of the fence. In the United States there is only about \$1,500 for each bread-winner, of life insurance in force, including old line and assessment. Eliminating the assessment insurance as uncertain and unreliable, it leaves about \$1,000 of *real* insurance for each bread-winner in the United States. This being true, there is a great field for growth in life insurance in this country. In other words, there is a big harvest to be reaped.

Too Much Grain Standing.

The life insurance reapers in the field are now leaving too much grain standing. They are not in good condition for mowing the wheat. Do you know, Mr. Agent, while in some lines of work there are two men for every job to be done, what in the life insurance business the supply is only about one-tenth of the demand and that of the 150,000 life insurance salesmen in the business to-day, but a small proportion are making what we might call a handsome revenue. Why? First and principally because the agents themselves do not work as they should. Second, because the moment they see that spectre *Excuse* looming up before them, they are too prone to lose sight of the purpose for which they called, they let the other man do most of the talking, and the other man, in altogether too many cases, literally backs the life insurance man out of the room with his excuses.

Are you going to permit yourself to be backed off from half or two-thirds of your interviews, which, for the most part, are made on what ought to be good soliciting material, or are you going to use your brains and your ingenuity to turn those excuses, as they are brought up one by one, on the man who offers them and riddle them with reasons until the man himself sees the excuses, on which he counted so much, fall before his very eye? The man does not live who does not need life insurance, and the reason so many of them do live without life insurance to-day is in many cases chargeable to the methods employed by the average life insurance agent. Do not be an average life insurance agent. Attempt to excel in your work, overcome the excuses. They can be overcome, surmounted, brushed aside. As Dr. Frank Crane says in his little essay on "Salesmanship." "Get out and *make* people buy your goods. Get in the game. It beats football."

The Wrong Perspective.

You who solicit the successful business man are often seeing the man who, because of his success, is thrown out of the right perspective of himself, of the needs of his business and his family, and of his duty towards those needs. He is apt to gain the impression that because of his success, because of the wealth back of him, he is impregnable. In reality, the man does not live who is impregnable. The man needing life insurance does not live who is greater than life insurance any more than does a President of the United States live who is greater than his office. This man will offer a line of excuses based on his success. He will tell you what he has done in the past in the hope of driving you out from the interview, awed by being in the presence of a successful man. This gives you a splendid opening. You can congratulate him on his success in the past, and you can say to him that if he is as valuable a man as he says he is, that his opportunities for money making and for success in the future are unlimited—but *there may be no future waiting him*. He may not be able to carry out his plans, and if he dies without life insurance, the world loses something as a result of his unaccomplished acts. Tell him you are not trying to insure his *past*, but you are trying to insure his *future*.

Excuses—Excuses—Excuses. The successful life insurance agent thrives on them. The life insurance agent who is weak to-day, but who puts thought into his work, will be the strong life insurance agent of to-morrow, by passing in review, after each interview, the excuses which have been put to him and have thrown him down. In that review he will think for himself, of other methods of approach which he can use on the next man, or in a later interview on the same man for securing the coveted application. "It cannot be done?" Of course, not if *you* say so. Surely no one else is going to do it for you. But "if you take off your coat and start to sing as you tackle the thing"—you will find *that it can be done*.

Remember, Mr. Agent, that excuses are something for you to thrive on, not fall down on.

Remember this:

American Life Insurance is not an institution for making profits, but for distributing losses. Through this agency twenty-five million Americans voluntarily provide for their families and their old age, something that Germany, England and other countries are compelling at government expense. Yet, the United States is the distributing machine to levy, collect and have handed over to the governments of the various States and nation enormous funds in the guise of taxation. The States are now collecting, exclusive of the taxes on real estate, twelve million dollars annually, which is six times the amount collected in 1890.

THE AVERAGE MAN DOES NOT PUT BY ENOUGH FOR HIS DECLINING YEARS.

Boston Herald Claims That Few Men Provide for Families in Event of Sudden Death. Statistics Compiled by Earl G. Manning Throw Light on Subject Considered.

"One of the most perplexing problems the American man is trying to solve to-day," says the Boston Herald, "is how to live normally and reasonably so that his expenses will not exceed his income.

"All of us have been in the position, at some time or other, of the man who exclaimed: 'Ten thousand a year is my income clear, and I manage to spend it all.' We know we receive a certain income, and at the end of the year there is none of it left.

"What difference does it make?" we argue, 'It's gone and what can we do about it?' There is this difference; if we knew how and for what we had spent it, we might be able to regulate our next year's expenses so that we could get ahead of the game, instead of breaking even, or going behind. 'But it's such a bother to keep a record,' we still argue. So is anything a bother that is worth while doing.

"Only about two men out of every ten make any systematic attempt to record their expenses, and after all, isn't this really the answer why so many of us are living beyond our incomes?

"Periodically in every mercantile concern inventory is taken. This is good business. It enables the merchant to

pile data regarding his methods of living, and to use it as a basis to judge our own variations.

"Until recent years no data of any real value had been obtained upon which a reliable average budget could be compiled. Through the good agencies of a number of public spirited individuals and organizations, however, enough data has been collected to make possible the publishing of the charts seen here.

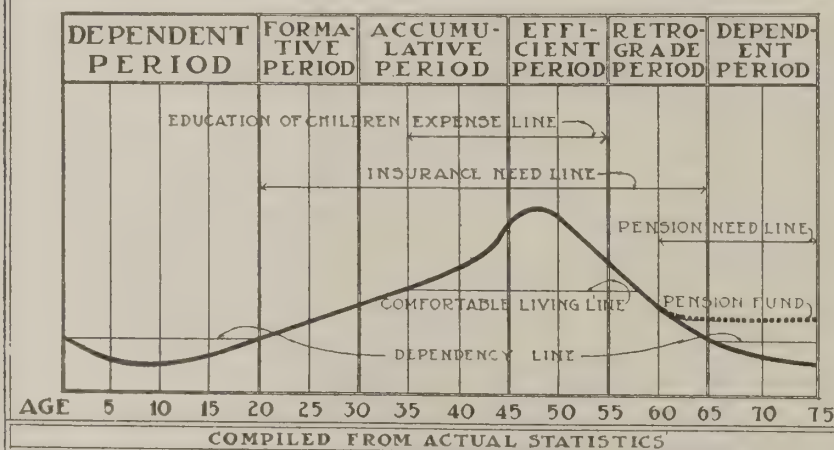
"The charts which are shown are the result of a careful investigation by Earl G. Manning, of the Provident Life and Trust Co., at Boston. The data from which they have been compiled comes from reliable sources and represents actual and not estimated figures of recent date.

"Mr. Manning has personally interviewed and discussed the relation of expenditures to income with over 2,000 men living in Boston, and we quote his experiences in his own language:

Almost without exception, every one to whom I have shown this chart has been moved to give me some expression as to his own personal expenditures. I find that in most instances at least three of the six columns in the chart agree with the expenditures of these men. The other three columns show a variation about evenly divided above and below the figures of the chart.

The most significant point that I have observed is that only about two-fifths of the men I have interviewed are over the average on the item, "Insurance and Savings," while about three-fifths are under. This leads me to believe that men living in large centers do not save as much as men living in smaller cities or in the country. What-

THE AVERAGE EARNING CAPACITY OF THE AVERAGE AMERICAN MAN



STATISTICS SHOW
THAT OVER 90% OF THE MEN WHO LIVE TO AGE 65 AND OVER ARE EITHER ABSOLUTELY DEPENDENT OR EXIST ON INSUFFICIENT EARNINGS

EXPERIENCE PROVES
THAT ENDOWMENT INSURANCE PAYABLE AT AGE 65 IS A PARTICULARLY GOOD MEANS OF PROVIDING A MAN WITH THE WHEREWITHAL TO REPLACE DECREASING EARNING POWER

ACTUALLY
THIS COMBINATION OF LIFE INSURANCE WITH AN ANNUITY IS PRACTICAL BECAUSE THE COST IS LOW ESPECIALLY AT THE YOUNGER AGES

tell whether he is going ahead or behind. It is just as important for the success of our personal futures that we check up, periodically, to determine our position in life.

"The merchant has the advantage of having had a definite standard by which he can gauge his profits or losses. This has been made possible by records of his past business and a general knowledge of what other men in his own line are doing.

"It would be manifestly impossible for any one to assume that an absolutely accurate apportionment of expenses could be compiled which would fit the case of every man. The personal factors of the individual, his aspirations, his ideals are so varied that a correct living plan as outlined for one man would mean hardship and unhappiness for another. Also each walk in life is surrounded by peculiar conditions which necessitate expenditures out of the ordinary.

"It is, however, within the bounds of reason to assume the existence of an average man; to record his actions; to com-

ever may be the variation in the other columns, it is my firm belief that the item, "Insurance and Savings," should be constant. It is not what a man makes that counts; it's what he saves.

I am constantly asked to determine what proportion of the item, "Insurance and Savings," should be expended for life insurance. My answer is always, "Enough to provide a decent living income for your family in the event of your death."

Recent investigations by social economists have determined that the minimum income on which a widow and two children can live normally is about \$15 a week, or \$780 a year. Theoretically, this income should continue indefinitely, but the cost to provide this would be too much for the average man to assume. It is conceded that it should continue at least 20 years, because it would give the mother the chance to bring up her children to maturity so they in turn could support her.

YEARLY HOME BUDGETS OF FAMILIES AVERAGING TWO ADULTS AND TWO CHILDREN

THIS TABLE IS AN AVERAGE OF THOUSANDS OF BUDGETS OF THRIFTY AMERICANS AND HAS BEEN COMPILED FROM DATA OBTAINED FROM U. S. GOVERNMENT REPORTS

ELLEN H RICHARDS
LATE OF MASS INST OF TECHNOLOGY

MARTHA BENSLEY BRIERE
OF NEW YORK CITY

ROBERT COIT CHAPIN
OF BELoit COLLEGE WISCONSIN
AND MANY OTHERS

IT IS INTENDED TO GIVE
INFORMATION ABOUT PRESENT
DAY LIVING CONDITIONS

YEARLY INCOME	FOOD	RENT	CLOTHES	OPERATING EXPENSE	ADVANCEMENT	INSURANCE AND SAVINGS	EXPLANATION OF HEADINGS
\$1000	\$300	\$200	\$100	\$150	\$100	\$150	FOOD GROCERIES MEAT AND FISH MAINS LUNCHESES RENT RENT TAXES MORTGAGE PAYMENTS REPAIRS AND UPKEEP CLOTHES ANYTHING TO WEAR INSURANCE AND SAVINGS INVESTMENTS SAVINGS LIFE INSURANCE ACCIDENT INSURANCE HEALTH INSURANCE
1200	330	300	150	150	100	170	OPERATING EXPENSES SERVANTS' WAGES TELEPHONE LAUNDRY FUEL AND ICE LIGHT HOUSEHOLD EQUIPMENT FIRE INSURANCE INCIDENTALS CAR FARE ADVANCEMENT CHARITY TUITION BOOKS AND MAGAZINES VACATIONS MUSIC TRAVEL SOCIAL CLUBS AMUSEMENT LECTURES DOCTORS' BILLS MEDICINE GIFTS
1500	375	300	150	225	200	250	
1800	400	400	200	270	240	290	
2000	450	400	250	350	250	300	
2500	500	400	250	450	450	450	
3000	550	500	325	550	450	625	
3500	650	575	475	575	500	725	
4000	675	600	500	625	600	1000	
5000	725	700	650	750	775	1400	

COMPILED BY EARL G MANNING BOSTON MASS

The amount of life insurance necessary to provide this income for 20 years is \$12,000. At the age of 35, which is the averaging insuring age in America, this can be bought for about \$275 a year net, or about \$23 per \$1,000 in any good life insurance company. The rates are lower at the younger ages and higher at the older ages.

If a man cannot afford this amount of insurance, I suggest that the total can be reduced, which, of course, reduces the length of time the income has to run. I always point out, though, that this amount should be kept in mind as an objective to be ultimately attained:

\$9,500 provides \$780 income for 15 years
\$7,000 provides \$780 income for 10 years
\$5,000 provides \$780 income for 7 years
\$3,000 provides \$780 income for 4 years

The insurance a man already has can be used as an integral part in providing any one of the above incomes, as most life insurance companies will pay the proceeds of policies at death in instalments, instead of a lump sum.

Is there not here food for thought? Isn't it possible for a great majority of us to make some attempt to standardize our living expenses so that we will eventually solve the question of the high cost of living?

LIFE INSURANCE.

Life insurance companies, the greatest of all benevolent and philanthropic institutions, stand out more prominently to-day than ever before. At no other time in the history of life insurance has its relation to the public been of such great and almost universal importance as at the present time. It is difficult for us who are busy thinking and formulating plans to get new policyholders to enjoy its benefits to realize in the fullest sense the extent to which the public at large is affected by the results of this great scheme of beneficence.

It seems almost beyond belief that the life insurance companies of the United States are distributing to widows and orphans, to societies and policyholders themselves, more than \$400,000,000 annually—approximately \$1,300,000 for each working day, \$165,000 for each working hour, \$2,700 for each working minute and \$450 for each working second. The people hear and read, but do not fully realize these magnificent results, nor do they fully appreciate the ability exercised by the men behind these great institutions, the hardest kind of hard work of solicitors in the field, the loving forethought and sometimes self-denial of persistent policyholders, and the great value of the excellent State supervision of the different insurance departments, all of which in appropriate degree contribute thereto.—Isaac Miller Hamilton.

POLICY ILLUSTRATIONS.

Their Use a Practice of Doubtful Value.

(From The Pacific Mutual News.)

A practice of long standing in selling life insurance has been to give the prospective buyer an illustration of the policy, on a specially prepared blank, setting forth in the main the premium charge, non-forfeiture values and settlement options. This practice is not as common as it used to be, partly because of the opposition of insurance departments to estimated results and partly because of the passing of deferred dividend insurance. It is, however, still much in vogue, and nearly all companies furnish their agents with illustration blanks. Our observation has brought us to the conclusion that the practice is more abuseful than useful.

The purpose of an illustration is to give the prospect, in figures, information about the policy the agent is trying to sell him. When the agent prepares an illustration and leaves it with a prospect without going over it carefully to explain it in detail, the chances are that the prospect will not understand it unless he be familiar with such matters, and that the average insurer is not. If the prospect has sufficient time to listen to an explanation of the prepared illustration, the agent, with a pencil and piece of scratch-paper, could give him all the information desired in a much simpler and more impressive way.

To leave an illustration with a prospect is often to leave for your competitor a weapon to use against you. A rival agent needs no special ability to puncture the most attractive illustration ever presented, and to show it up in an unfavorable light.

The illustration blank, moreover, gives the prospect too good a chance to put the agent off. "I have your figures, but have not had time to look them over yet." How often has such a remark fallen on the ears of an agent, and what can he do about it? His illustration has put him in a position where it is almost impossible for him to hasten matters and push the case to a conclusion.

We do not hesitate to say that the illustration blank in selling insurance is more often a hindrance than a help. But our chief objection to it is that the feature of the policy it usually makes most prominent is the one that should be kept most in the background—its non-forfeiture values. To dwell on these is to tempt the policyholder to lapse or borrow on his policy whenever his financial affairs begin to pinch him a little. Better would it be for many an insurer and for many an orphan and widow if the policyholder had never heard of such things as non-forfeiture values. We have said in these columns more than once that to dwell on the surrender values of a policy is to misplace the emphasis, and this is perhaps wherein the illustration blank offends most.

(Continued on page 12.)

Life Association News

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LIFE INSURANCE AGENTS.

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ARTICLE II OF THE CONSTITUTION.

"The object of this association shall be to advance the best interests of the cause of true life insurance."

Address all communications to

EVERETT M. ENSIGN, Editor and Manager.

Telephone, 4244 John.

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SUBSCRIPTION PRICE \$1.00 A YEAR IN ADVANCE.

"HIGHFALUTING BOSH."

The simple truths of life are the ones which apparently impress us the least. To be recognized Truth must knock at the door of consciousness clothed in the scintillating garments of Epigram. That is the reason, perhaps, why we delve into complex systems of philosophy to the utter neglect of the feeble, homely principles, which embrace the sum total of knowledge of human heart and intellect in équilibre with the mundane relationship one with the other.

"Truth needs no color," said Shakespeare. Yet there are a certain percentage of men in the profession of Life Underwriting who fail to realize the importance of Truth, unless it is attractively garbed. Indeed, the plain little truths of social and business relationship must sometimes be administered in sugar-coated capsules.

Here is the paradox of this anomalous condition. Place before a man in its rugged and unadorned nakedness the old adage of "Honesty is the best policy." Generally there are but two responses; the first practically negative, with an answer to the effect that the subject does not apply to him; the other an attitude of offense. This attitude of offense at being told the truth is more common than we at first realize. It may be due to the fact that the admonition was sorely needed, and again, it may be only the natural peevishness of the man who considers it indicative of intellectual superiority to assume a mask of cynical indulgence at the temerity of any one suggesting that he adopt a principle so simple and so easily understood.

Therefore it becomes necessary at times to resort to various subterfuges in seeking to present the time-tried and time-tested tenets which underlie all legitimate business transactions. Facts must be disguised; nuggets of golden thought must be deeply buried; the obvious is too obvious and is not for us. With the casket of gems open before us, the pearl found in the oyster assumes a valuation beyond all reason. The wayfaring man, though a fool sometimes, imbibes his knowledge "straight," and we look with ill-concealed scorn upon his simplicity.

Mental assimilation with many of us is a matter of pathological import. Disdaining natural and healthy desire, we resort to false methods of stimulation, by means of which we stumble upon some new line of thought. After this effort comes a narcotic and we fall asleep and sometimes—too often—forget it.

"All this goody-goody stuff and highfaluting bosh in LIFE ASSOCIATION NEWS makes me sick," said a life insurance agent to a friend of the editor. The sentiment of this disgruntled agent, though in

WHAT YOU WANT I HAVE—"OPPORTUNITY" WHAT I WANT YOU HAVE—"ABILITY"**Let's combine the two—in other words****Work in the Wonderful West with Ward****For the Pacific Mutual Life Insurance Co.****WRITE H. H. WARD, MANAGER PACIFIC NORTHWEST****Title & Trust Building, Portland, Oregon****Hoge Building, Seattle, Washington**

elegant in verbiage, is typical of the attitude of a certain class of underwriters, which class fortunately is greatly in the minority. A continuous advocacy of a high standard of field ethics may be "highfaluting bosh," but we believe there are quite a few life underwriters who do not think so. We believe that nothing can take the place of absolute honesty; we believe in the adoption of the Golden Rule as a guide for field procedure; we believe in the elimination of all forms of misrepresentation, rebating and twisting; we believe in the all embracing and comprehensive object of the National Association, which is to advance the best interests of the cause of true Life Insurance. In these principles we believe, and these principles will guide the policy of the official organ of the National body. If, as a consequence in editorial comment, preachment or other matter we impress a few as being of the "Goody-Goody" type, we are entirely satisfied and accept a much abused term, and one sometimes applied in derision, as an express of the greatest compliment which could be paid to us.

It does not take long for one to learn that the Truth cannot be spoken unless there is always some one to take offense at it. It was Bishop Horne who said, "If any one will tell me how the Truth may be spoken without offending some, I will spare no labor to learn the art."

Sympathy is wasted when extended to the man who clamors for literature printed in blood on a sheet of guncotton.

The successful life underwriter is the steady man, the solid man, the hard working, conscientious man. Remember that "Genius is but the infinite capacity for hard work." Such a man reads intelligently, thinks deeply and acts effectively. His short cut to efficiency is found in the fact that he requires no argument to convince him of the virtues of clean business procedure, for he accepts the principles we advocate without question. But even such a man knows that in the heat of competition it is an easy matter to tell but half the Truth, and he knows also that half the Truth is a lie. Conscious of this he never resents an argument on the necessity of honesty, and he always welcomes the inspiration of a new message on the same subject. To him the "square deal," an old, old story, never grows stale.

In every great propaganda ultimate successful

development has depended upon steadfast adherence to certain fundamental articles of faith. Constant reiteration of foundational principles in any movement is not only necessary for numerical increase, with the corresponding strength which numbers give, but organized society breeds its own toxins; even the elect need inspiration and admonishment.

The News serves not only as a bulletin of association meetings and as a mouth piece for the messages of its officers; its greatest field of usefulness lies in the inspirational and educational articles which it conveys to the members of the National Association. The good old fashioned virtues, for which there can be no possible substitute, underlie all matter which enters its columns. Candidly, of this we are not ashamed.

Hervey S. Dale Seriously Ill.

Hervey S. Dale, general agent of the Union Mutual at Chicago, a prominent member of the Chicago association and treasurer of the National Association, is reported seriously ill at Pass Christian, Miss. Just a few days ago Mr. Dale suffered a cerebral hemorrhage and lost the power of speech. His right side was completely paralyzed. Possessed of a strong constitution, hopes of his recovery are being entertained. That his condition is more or less serious, however, is indicated by the fact that his two brothers are now with him.

Preliminary Plans for the Cincinnati Convention.

Plans for the Cincinnati convention are beginning to take definite form. It is announced that the Cincinnati association will favor September 15, 16 and 17 as the days upon which to hold the convention. However, this is a matter which will not be definitely decided until the mid-year meeting of the Executive Committee of the National Association on the 21st of this month.

The General Convention Committee of the Cincinnati association is composed of the following members: A. F. Sommer, Metropolitan; John L. Shuff, Union Central; Millard W. Mack, Northwestern Mutual; W. A. R. Bruehl, Home Life; E. R. Ferguson, Mutual Life; J. W. Kirgan, Fidelity Mutual, and C. J. Stern, Union Central. Mr. Shuff is chairman of the finance committee, and is enthusiastic over the subscriptions which have already been received. He is particularly happy over the action of the Chamber of Commerce, which has agreed to augment the fund for the entertainment of those who attend the convention.

Cincinnati has two large hotels, the Sinton and the Gibson House, and there are, of course, a number of smaller hotels. The Sinton and the Gibson are each capable of taking care of 250 guests. Immediately after the time for the convention has been definitely determined at the mid-year meeting of the National Executive Committee, the Cincinnati underwriters will begin to arrange for sub-committees and other necessary details.

Policy Illustrations.*(Continued from page 9.)*

The vast majority of insurance buyers are interested in two things only—the protection afforded and the price to be paid. “What can I get, and what will it cost me?” These are the two points in which every insurer is most interested, and they need no elaborate illustration blank to make them plain.

The general agent or manager who discourages his agents in the use of illustration blanks for their prospects does them a good service. The most valuable use such blanks can be put to is for the agent to fill one out for the prospect in hand, study it carefully and then familiarize himself with the policy; then throw it into the waste-basket. To go before the prospect thus empty-handed but with the mind well furnished and enthusiastic over the splendid features of the policy, will be vastly more effective in securing results than the most attractive and carefully prepared illustration thrust into his hands with the hope that it will do the work. The latter is the lazy man's method and deserves to fail.

The enthusiastic and convincing agent, convincing because he is enthusiastic, compels and impresses by his presentation of his policy with pencil and by word of mouth, while the illustration blank is cold and lifeless, unable to secure attention, and is read with care and understanding in only exceptional cases. It is an easy matter to get away from the illustration blank, but it is a different proposition to elude the wide-awake, determined agent.

Little Things That Count.

I believe that one of the greatest influences for advancement a man can have—and he should cultivate it—is the ability to take quick advantage of the little things of life, the ordinary everyday occurrences that mean so much to the man who is watchful and alert and so little to the careless worker; occurrences that are capable of being turned to profit in life insurance as in no other business—chance conversations, unexpected meetings, hints dropped in conversation, an

idea in the Bulletin, a thought from the morning papers, etc., etc. Successful writers, in other words, are those who have a genius for keeping their eyes and ears wide open, discovering opportunities in small things that to those less watchful mean nothing. And taking advantage of these opportunities, agents of calibre rise to positions of prominence and standing at the bank.—*Thomas A. Buckner.*

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a copy of the proceedings of the

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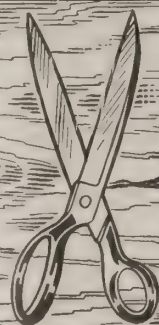
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Loan Provisions—To Be or Not to Be.

An enterprising song writer of New York, but a few months ago, endeavored to distill from Broadway the real spirit of the times. His range of vision being bounded on the north by tango teas, on the south by cabaret performances, on the east by dansants, and on the west by ragtime, the task proved easy. The "Zeitgeist," as Elbert Hubbard would say, was epitomized and embellished with the usual devices of harmony, and we were told that "syncopation ruled the nation." So as to permit of no possible doubt as to the truth of the statement, we were advised that.

"Even good old country preachers
Are engaging tango teachers.
You can't get away from it;
You can't get away from it at all."

Syncopation does rule the nations—when the people of the nations relax and seek to forget the more serious affairs of life. But if we are to believe what we see, half of what we hear, and a little of that which we read, we cannot escape the conviction that Extravagance is king of the realm, while Mr. Syncopation is but a distant and frivolous relative. If, as has been said, the practice of borrowing on life insurance policies is inhuman and sinister, evidently "the mania for living beyond one's means has reached a point where it no longer balks at the threat of a beggaring death."

Important Statistics.

What are the facts? Just these. At the end of business in 1911 there was \$456,000,000 policy loans and premium notes outstanding to policyholders. The average in loan and premium notes for the United States that year was 15.98 per cent. of the reserves. Robert Lynn Cox, general counsel and manager of the Association of Life Insurance Presidents, said in a report on the subject:

Much more than half a billion of life insurance protection will be lost to widows, orphans and other beneficiaries as a result of the policy loans now outstanding. It is declared that experience shows that a large proportion of the insurance protection withdrawn by policy loans is never replaced, the money being invested elsewhere or wasted.

The subject has been discussed in every insurance journal published in the United States. The daily newspapers, too, have found the matter worthy of editorial comment. Perhaps it will be found interesting to consider the matter in the light of developments since the Association of Life Insurance Presidents issued its report in January. A review of professional and lay opinions will follow, our comments necessarily being brief.

President Jesse R. Clark of the Union Central, in his annual report, gave a succinct statement of the situation from the viewpoint of a company official. He said:

Policy stipulations authorized by statute as to the amount, the term and the interest rate of the loan are inflexible, operating irrespective of the general money

market, and thus benefiting the borrowing policyholder instead of all the policyholders, in the following ways: In times of panic the sale of investments at sacrifice is necessitated in order to meet the demands of the borrowing policyholder, which cannot be delayed by contract more than a fixed time. In times of panic the policy stipulation of the only rate of interest that can be charged, prevents possibility of realizing a higher rate warranted by the current conditions. Thus is experienced a loss to all of the policyholders on both principal and interest. In times of easy money the policyholder with a collateral of fixed cash value need not and does not pay the rate of interest stipulated in his policy when he can borrow at a very much lower rate at bank. Thus is experienced a loss to the policyholder by reason of this unemployed capital. There is no obligations to repay the loan as long as principal with interest accrued does not exceed the cash policy; hence, even if the rate of interest were flexible it would be dangerous to loan at as low a rate, because the policyholder could keep the loan at that rate until the policy became due by death or maturity.

A simple remedy would be to divest the policy contract of all stipulations as to interest rate and foreclosure, and to make the loan just as any collateral loan is made in the financial world.

The Massachusetts Bill.

In accordance with a resolution adopted by the Insurance Commissioners at their annual meeting, Commissioner Hardison, of Massachusetts, introduced a bill in the Legislature of his State which read, in part, as follows:

No Policy of life or endowment insurance shall be issued or delivered in this commonwealth unless it contains a provision that the company may at its option defer the granting of any loan other than to pay premiums on policies in the company and may at its option defer the granting of any surrender value for a period which shall be stated in said provision and shall be not less than 60 days from the date of the application for such loan or surrender value; provided, that a domestic insurance company may issue in other States policies which contain provisions relating to the deferring of loans or granting surrender values required by the laws of such States, and a foreign insurance company may issue in this commonwealth any policy containing provisions required by the laws of its own State respecting the deferring of loans or granting of surrender values.

Commissioner Button of Virginia also advocated a similar statute, but both measures were defeated.

The daily newspapers have seen nothing good in the borrowing habit—certainly the statistics justifying the term of "habit." While they have not touched the technicalities involved, which was as it should be, the consensus of editorial expression has been strenuously opposed to the loan provisions in policies. Taking a somewhat radical stand, the *New York Evening Journal* offered these suggestions:

* * * There ought to be in each State some "Statesmen" wise enough to see that to compel insurance companies to encourage policyholders running into debt is unwise, criminal, dishonest to the children and the wife. Pending such action, we advise the wives of insured men to find out just what value there is to the protection which insurance is supposed to give them, and just how much, if anything, the husband has borrowed on his policy—for every dollar thus borrowed will be taken away from the family in case of death. The whole system is preposterous—encouraging men to save money for the protection of their families—and then by law compelling the insurance companies to tempt such men to run into debt.

Several papers, among them the *Newark Evening News*, thought the situation as being similar to taking money from the baby's bank. Said the *Newark Evening News*:

Newark Evening News.

Many loans—not all—obtained on the security of a life insurance policy may be likened to taking money from the baby's bank and not replacing it, for not more than eight percent. of all the money borrowed in this manner is ever repaid except through the policy lapsing or maturing. * * * There is material for surprise when one considers the extent to which the practice has gone, as shown at the meeting of the Association of Life Insurance Presidents in New York. These loans are reported to have increased from one-third to one per cent. of the reserve funds of American companies in 1888 to 36 per cent. in 1912 and to nearly 18 per cent. this year. At the close of last year, out of \$3,500,000,000 of reserve funds of all companies it is stated that \$550,000,000 had been loaned to policyholders. * * * If the companies did not permit such loans—and it unlikely they could all be brought to consider such a plan—there would be other and more expensive ways to the borrower to accomplish the same thing. * * * The problem, it is evident, is not easy of solution.

The extravagant tendencies of the times is the root of the evil, according to the Boston News Bureau. Its views are expressed in these words:

Boston News Bureau.

Instead of paying as we go, it is so much easier, if so much less wise, to borrow from posterity. Extravagance often goes hand in hand with improvidence; and this is an extravagant age in an extravagant country. That it is a rich country is perhaps some temptation, but no excuse. Various evidences, collective and individual, attest this inclination to mortgage the future. What the indignant reflections of our posterity, who much shoulder the penalty in either or both added tax or depleted inheritance, does not disturb our blithe and free-handed unconcern. * * * An impressive sign of the times is the indictment drawn by the insurance fraternity—both companies and commissioners—against the startling increase in the tendency for the insured to borrow from their own heirs by dipping into the principal of the protection fund for their families. * * * It is the unbroken increase in this borrowing propensity that is the disconcerting element. * * * In part we may blame the cost of high living for personal and municipal necessities; but also in part there is indisputably reflected the cost of high living, individual or collective. Not the necessities, but the luxuries, mainly account for our temptation and our propensity to mortgage our defenseless heirs.

In the face of a veritable avalanche of opposition to the loan privilege it is a courageous man who dares to utter a defense. However, a good word has occasionally been said, both in the Field and in the Home Office. President William McClench of the Massachusetts Mutual, at the 28th annual

banquet of the New York association, claimed that loans were frequently of great value and had served many times to protect homes and to ward off bankruptcy of firms. He declared that no solicitor should be criticized because of emphasizing the value of the loan provision.

That it is a problem of no small proportions must be admitted. There are many good arguments for the loan privilege which have not as yet made the acquaintance of printer's ink. In this connection we present excerpts from an article by Floyd Elmer De Groat, general agent of the Mutual Benefit of Boston. Mr. De Groat has a remarkably facile pen, which, combined with a keen analytical mind, produces an exposition well worthy of study, even though you may feel inclined to stay with the apparent majority and disagree with him.

Arguments in Favor of Loans.

Perhaps no phase of our business has received greater attention, both in public print and in our own journalism, than the subject of policy loans. Loans, loans seem to obsess the heads of many companies. We are told, and it is true, that the demand for loans is steadily increasing. Is there wonder that companies whose contracts did not formerly contain the privilege of loans should experience a new sensation when this feature, forced upon them by law, became operative? Is it not significant that so far as insurance journalism and the public press are concerned most all of the direful predictions and calamitous warnings seem to emanate from those companies whose newer policies only carry the right of annual loan? Or from companies which have unwittingly invited abnormal obligation to loan by use of a rather low, or let us call it, competitive interest rate per cent.? Or from those companies which can no longer use a form of loan agreement by the terms of which large forfeitures or reserves were formerly permissible?

There is no falser theory propounded than the plea, now far too often advanced by certain irresponsible brokers, twisters et al, and far too often grasped, yes, swallowed by the policy owner himself, namely, the theory that he is borrowing his own money. He does not borrow his own money. He cannot possibly borrow his own money. He borrows that sum which, with interest thereon, he has deposited as an inevitable and inviolable pledge that he will pay his normal, rightful share for the carrying of his own risk. And he should be permitted to borrow this sum exactly as he should be permitted to withdraw the sum outright. But in the latter case he is surrendering a right, for he is relieving the remaining members of all further obligation as to his own risk. Here then is the vast and important difference between loan and cash value, in dollars and cents the same or temporarily the same: the loan with its interest requirement, a living pledge to his fellow members and his beneficiary; the cash value a relinquishment, a sale, of all obligation of his fellow members toward himself and beneficiary.

Withdrawal of Cash Values.

I wonder that the companies so vociferously decrying the loan practice do not likewise call attention to the inordinate withdrawals of cash value, and to the inordinate lapse which they must experience if their own declaration be true, namely, that loans not only are rarely paid back, but lead inevitably to surrender and lapse. I do not know what percentage of life insurance loans may be paid back, but I have a notion that such ratio would, in the best companies, compare very favorably with the mortgages paid off from homes.

Let us make all reasonable efforts to deter our clients from making unnecessary loans, exactly as we would deter our younger brother from unwisely mortgaging his home, but let us not condemn the privilege, or the practice of the privilege, in either case.

But all is not lost that is loaned. Every policy loan

does not mean money foolishly spent or wasted. Few would take policy loans at either five or six per cent. to buy Government bonds yielding four per cent. But some men are so positioned that they can and do, in their own stable business, make all borrowed money, temporarily at least, earn more than the interest per cent. paid therefor; they keep the principal intact too. Were it not so, modern business would contract one-half. A certain percentage of these same business men are carrying mortgages on their homes for similar reasons, and upon their stocks and bonds.

Again, money borrowers are the beneficiaries of their own policies—perhaps generally true of endowments. Take the case of a bachelor or a widower with no dependents. Does it matter much, is there economic loss if he borrows in the ninth year of a 10-year endowment, or the 18th year of a 20-year endowment? Why declare that money withdrawn in the ninth year is wasted, but in the 10th it is not? We would advise, to be sure, that he mature the contract and use our post-maturity option. Yet there is nothing economically unsound in the exercise of the loan privilege. Let us consider further that a very high percentage of the loans in this and other companies are premium loans, and premium loans, especially, may spell beneficiary gain, very likely also economic gain. Every \$50 of necessary premium loan means approximately \$1,000 of protection continued for some beneficiary.

All Good Things Capable of Abuse.

A life or an endowment policy is a peculiar form of property. It differs from everything else. It is the only article of value, which, *ipso facto*, multiplies by the fact of death. If this point is never lost to view, rare will be the person of conscience who would urge a cash value in lieu of a loan, or urge a surrender to get rid of a loan.

The loan privilege is not an evil, neither is it an unmixed blessing. All good things are capable of abuse, and the loan privilege is far more a blessing than a curse. It is a source of honest and honorable credit, purely as credit it cannot be abused. And do you know anything in the land more abused than credit? It is abused in and by our great mercantile establishments; it is abused at our best banks and trust companies; but purely as such, credit is not abused at the office of any life insurance company in America. I confess to disagree with these carping critics. They render unwittingly a damage to the life insurance cause by their unrelenting advertisement that what is loaned is lost. They seem to point out an inherent weakness in our system where only strength exists. In my judgment, such talk lends itself readily to an argument for cash surrender. That such talk is a deterrent to the uninsured and the unbeliever no one can deny. The modern policy loan is a mathematical right, an economic necessity; moreover, it happens to be a legal requirement. Human nature alone is responsible for the extent of the practice, its use or its abuse.

The Part-Time Man in Chicago.

Into the limelight once again springs the part-time man. He now occupies the center of the stage in Chicago. There are opinions to the right of him, opinions to the left of him; they volley and thunder. He is greeted with applause, cat-calls, laughter, tears, praise, curses.

It all came about by an effort of E. A. Ferguson, the new president of the Chicago association, to secure from the members of that body a consensus of opinion as to how the matter of part-timeism should be dealt with. It is apparent that there is a great difference of opinion among the members of that association, but disagreement on that problem is by no means confined to Chicago; the same condition obtains in every local body affiliated with the National Association. *The Western Underwriter* in its April 2 number

gives two opposing views, one from Darby A. Day, manager of the Mutual of New York and a member of the Committee on Taxation of the National Association, and the other from Hobart & Oates, Chicago general agents of the Northwestern Mutual. Mr. Day expresses himself as follows:

From 33½ to 50 per cent. of the life insurance placed in Chicago is written by or through men who devote part of their time to other lines of endeavor than merely life insurance.

Nearly All Part-Time Men.

Nearly all life insurance men, including general agents, are part-time men in some business other than life insurance. They place fire and casualty insurance, dabble in real estate and various sorts of business.

It is conservative to say that 50 per cent. of the general agents of the country were formerly part-time men.

Agencies whose territories extend beyond the limits of the city of Chicago cannot cultivate their outside field without the use of part-time men.

Most companies would object to their general agents cutting off a volume of good business that now comes through part-time men.

No company has thus far successfully eliminated part-time men, and the general agents of Chicago would be no more successful than the companies have been.

The general agents by coercing their men into the association and by refusing good business might get in trouble with the anti-trust laws.

The broker is as great an evil as the part-time man, though neither would be an evil if they did not abuse their prerogatives.

The part-time man who devotes all of his life insurance time to one company is perfectly legitimate.

Hobart & Oates consider the subject to considerable length. They are fully convinced that life underwriting will never be on a professional basis unless the part-time man is eliminated. The strength of their convictions is indicated by the declaration that the present system is "so pernicious and so obviously unbusinesslike as to seem almost incredible." Their opinion is this:

You have asked for a statement of our position with reference to the appointment of so-called part-time agents in the life insurance business and we are pleased to comply with your request as follows:

The Chicago agency of the Northwestern Mutual Life went on a full time basis Jan. 1, 1909. After over five years' experience on this basis we are more than ever convinced that this is the only effective means of correcting the abuses of life insurance in metropolitan fields. In taking this position, the Chicago agency of the Northwestern followed the example of the New York agency, where for a number of years, under the leadership of John I. D. Bristol, the tremendous advantages of agency protection were completely demonstrated.

Source of Abuses.

Even granting that part-time men may have been employed to advantage in the development of country business and granting also that many successful life insurance men may have been brought into the business through a part-time relation to it, there is no question whatever, as far as city business is concerned, that the employment of part-time men is the means by which most of the abuses in the business are fostered. The evils far outweigh any possible benefits. Take rebating for example: Why deplore the evils of rebating when a system is maintained, through the appointment of sub-agents, by which rebating is made easy and safe! In saying this we are not unmindful that there are some part-time men who are men of honor and who do not rebate, but every experienced life insurance man knows that the appointment of sub-agents to cover two or three policies, including one on the life of the sub-agent, is simply providing the machinery for rebating with the minimum danger of apprehension under the law.

Under present conditions a man can go into many important life insurance offices with the statement that he has a policy to place and can get a commission on the same. Most general agents justify themselves in accepting this business on the ground that if they don't somebody else will. After placing one or two risks this man will be allowed a commission on a policy for himself. In most cases no further business is placed. In other cases where the part-time man is not interested in securing insurance on his own life, he is interested in holding a profitable line of fire or liability insurance for a client, and, as an inducement to hold the line, he secures a life policy for this client and cuts the price on the life policy. All the requirements as to license and contract are, of course, complied with, but the man has no intention and never did have of entering the insurance business as a full-time man. He is simply taking away, as a little "velvet," all or part of the commissions that have been earned by some reputable life insurance man who is giving his whole time to the business. Quite as likely it may be a whole-time agent of the very company whose general agent accepts the business. What if the part-time man does agree not to rebate and place all his life business in that company? He is not interested in raising the standards of the life insurance business; he knows the company keeps no check on him and he is indifferent to the remote penalty of cancellation of his contract. The part-time system as it exists in the large cities to-day illustrates the absurdity of complaining about the difficulty of getting 100 cents on the dollar for life insurance, when the companies practically invite anyone to get a commission for placing a risk, and there is no means of knowing whether the commission is returned to the insured.

How It Works Out.

Consider the position of the average whole-time agent of any company. He represents his company loyally, is building up a clientele, and places more or less insurance among his friends. He charges them the full price and they pay it cheerfully because of his assurance that no one is getting it for less. Suppose he is soliciting the manager of a corporation for a good sized policy and is making good progress. He suddenly discovers that he has competition on the case, not necessarily from the agent of another company; it may be from another agent of his own company. This latter agent comes in because it has been tipped off to him by the manager's secretary, who is a sub-agent and who will get part of the commission if the manager takes the insurance of the second man. This is one of the commonest experiences and it requires little intelligence to guess what the secretary does with the commission on his manager's business. This very thing can happen and does happen in most companies to-day, and the effect on the honest, whole-time agent is only too well known. He does not tell the truth when he assures his friends that everyone pays the full price, for he knows there is a way provided by his own company whereby other men get their insurance for less than the full tariff rates.

Paying Commission to Everyone.

The abuses will continue, however, as long as general agents or managers are so anxious for volume that they will continue to pay a commission to anyone just "to get the business," and as long as they are unable or unwilling to give the time and put up the money involved in the work of securing and training new agents who are willing to go into the life insurance business on a whole-time basis. The abuses will continue until there is developed among life insurance solicitors such a sense of pride in their business that they will demand the protection offered the legitimate salesman in nearly every other line of business. When the whole-time agents, who are giving their lives to this business, who have qualified

themselves to give expert advice, fully realize how much they are being injured by the practice of paying a commission to anyone, regardless of his knowledge of life insurance or his personal character, they will wake up and insist on that kind of protection which guarantees life insurance commissions for life insurance men only.

It is our conviction that if all life insurance offices in Chicago refused to employ part-time men, it would result at once in an increase of respect on the part of the buying public for the business of life insurance. It would enable the honest agent to get the compensation for his work to which he is entitled, and it would make it possible to drive the crook out of the business. It would increase the self-respect and the income of the whole-time agent who, under the present system, is being victimized, and it would attract to the business large numbers of men of character and ability who are driven away by a system so pernicious and so obviously unbusiness-like as to seem almost incredible.

Death of Samuel E. Barber.

Samuel E. Barber, State agent for the Aetna Life in Kansas, former president of the Topeka association, and during the years of 1912-1913 one of the vice-presidents of the National Association, died recently in Topeka. Mr. Barber was born in Mississippi in 1868, and after engaging in several occupations took up life insurance and became superintendent of the St. Louis agency of the Aetna. In 1904 he was made State manager for the company in Kansas.

Round Table Talk at Chicago.

Prominent general agents and managers for life insurance companies in Chicago met recently and decided to organize a Round Table Club to meet for luncheon once a month. The proceedings of the club will be informal and it will not be embarrassed by a constitution or by-laws.

Jules Girardin, manager of the Phoenix Mutual, presided at the first meeting, and the question taken up was as to whether the part time man should be eliminated from the business and whether or not an attempt should be made to continue to confine life insurance soliciting to members of the association. It developed that the majority of those present seemed to favor the retention of legitimate part time men. However, all who expressed an opinion agreed that the part time man who merely acts as a go-between should be driven out of the business.

As to whether or not an attempt should be made to prevent the placing of insurance in Chicago by any one who was not a member of the Chicago association, there was a great difference of opinion and no definite understanding resulted from the discussion of this particular phase of the business.

Kentucky Law Against Rebating.

Senate Bill No. 345 amending Article IV of Section 656 of the Kentucky statutes relating to life insurance was enacted into a law by the Kentucky Legislature and was recently signed by the Governor. This amendment, for which Commissioner Mat Clay stood sponsor, provided that the commissioner is to have complete authority to examine the books of any company, agent or policyholder or any other person when evidence suggesting rebating is uncovered. The law prior to the amendment was ambiguous and the Louisville association now is confident that it has an effective weapon to carry on its campaign against rebating.

Acknowledgments.

Hayden's Encyclopedia of Insurance in the United States, 1911-1913. Life and miscellaneous insurance edition. Established in 1891 by W. R. Hayden, the Insurance Journal Co., Hartford, Conn.

Preliminary report showing the Colorado business of all insurance companies transacting business in Colorado during 1913. S. Epstein, Commissioner of Insurance.

What the Local Associations Are Doing

Akron

The Akron association held its March meeting at the Portage Hotel, about thirty-five members being present. David L. Caulkins, of Cleveland, spoke on "Margin—the Secret of Power."

Capital District.

The regular monthly meeting of the Capital District association was held at Albany, N. Y., on the 1st inst. Six new members were installed and there was a discussion on the subject of "Taxation."

Chattanooga.

At the April meeting of the Chattanooga association the question of taxation was taken up and the president authorized to appoint a committee to look after the matter. The guest of honor was Attorney-General M. N. Whitaker. C. H. Crimm, of the Germania Life, read a paper on "Taxation," in which he claimed that the insurance companies were taxed heavier than any other kind of business.

Chicago.

The April meeting of the Chicago association will be held on the 23d inst. at the Auditorium Hotel. There will be no formal speakers, but it is planned to have a general discussion as to the questions submitted by President Ferguson regarding the character of meetings which the members prefer, and also in connection with the future policies of the association in the regulation and discipline of life insurance agents in Chicago. The meeting will be exclusively devoted to business and every member will have a chance to make known his views regarding the future activities of the association. From these opinions President Ferguson intends to outline the policies of the local body for the coming year.

Cincinnati.

Judge George H. Noyes, general counsel of the Northwestern Mutual, was the guest of honor of the Cincinnati association at a meeting held on March 31. The meeting was held at 5 o'clock at the Business Men's Club and was followed by a dinner. Later in the evening all those present went to the University of Cincinnati in a special car to hear Judge Noyes deliver his address on "The Legal Phases of Life Insurance."

The subject Judge Noyes discussed before the association was "Wills and Their Relation to Life Insurance." It was his opinion that some of the claims now being made for policies on the monthly income basis were too broad, and he urged agents to be conservative in their statements. The income policy, said he, had plenty of advantageous points without parading in borrowed plumage.

Cleveland.

A. D. Hatfield, of the Penn Mutual, presided as toastmaster at a meeting of the Cleveland association, held at the Hotel Statler, on the evening of March 27. It was a semi-social affair with a banquet, many ladies being present. Charles F. Coffin, vice-president and general counsel of the State Life of Indianapolis, was the principal speaker. He touched upon a number of subjects of interest to his audience and in speaking of Federal supervision said in part:

"There are many difficulties in the way of securing Federal supervision. To have Federal supervision of life insurance companies an amendment to the Constitution of the United States declaring life insurance to be interstate commerce would be necessary. It is asking a good deal to have the Constitution amended on behalf of one line of business. I urge every life insurance man to give such time and thought as he can to betterment of State supervision."

Columbus.

The regular monthly meeting of the Columbus association was held at the Athletic Club on the evening of March 13. This meeting was set aside as policyholders' night and several of the leading business and professional men of the city were guests of honor and gave their viewpoint of life insurance. B. L. Lewis, of the entertainment committee, was chairman of the meeting and among those who spoke were Hon. George F. Burba, secretary to the Governor; Samuel G. McMeen, president of the Columbus Railway, Light and Power Co.; John H. Fergus, secretary of the Park Savings and Loan Co.; John Deshler, capitalist; A. I. Vorhees, former Insurance Commissioner; C. C. Miller, Deputy State School Commissioner, and Herbert M. Myers, attorney.

Resolutions of sympathy were adopted upon the death of Edward C. Paine, who for 20 years was connected with the Mutual Life of New York.

Connecticut

At the Union League Club in New Haven on March 22 the Connecticut association held its first meeting under the new administration. Insurance Commissioner Burton Mansfield was present as a guest of honor, and in the course of his remarks claimed that there were too many soliciting agents in the State of Connecticut. H. S. Waldron, a prominent member of the Western Massachusetts association and first president of the New England Congress of Life Underwriters' Associations, extended an invitation to the Connecticut underwriters to attend the first field day of the congress, which will be held in Boston April 27 at the Parker House.

President Lee C. Robens then put the matter up to the members present, and 20 indicated their intentions of attending the congress. It was resolved to have engrossed a resolution on the recent sudden death of James L. Coyle, who was one of the staunch members of the association. Charles E. Stoeckder was appointed chairman of the Committee on Education and Conservation, and James B. Moody, Jr., chairman of the Taxation Committee.

Dayton

Several life insurance agents at Dayton have become interested in an attempt to re-organize the underwriters' association in that city. Some time ago the association was forced to disband, but there is every indication that the movement will soon be resuscitated.

Delaware

The regular meeting of the Delaware association was held on March 30 at Hanna's Restaurant. The Executive Committee reported the election of W. T. Batchelder, agency manager of the Equitable; A. A. Wilmot, special agent, Provident Life & Trust; George W. Collins, assistant superintendent, Prudential; Walter G. Keen, assistant superintendent, Prudential; and Bernard F. Harkins, sub-agent of the Prudential.

Treasurer McDonagh submitted his report, showing that all the members had paid their dues except two. The secretary reported that he had written to President Harter, of Delaware College, asking permission to deliver a course of lectures on life insurance before the students of that institution. President Harter replied, in part, as follows: "We would be delighted to have a course of lectures before our students on the subject of life insurance, and I shall place your letter before the committee of the faculty that has charge of such matters."

President Price reported progress on the effort to secure permission to have a lecture on life insurance delivered at the high school. On motion of Charles B. Palmer, Aubrey Vandever was extended an invitation to address the association at its next meeting on the subject "How I Secure Applications."

Detroit.

At the Elliott-Taylor-Woolfenden Cafe, on the evening of the 6th inst., the Detroit association held its regular monthly meeting. President M. H. Zacharias was unavoidably absent and Vice-President Jesse L. Scott presided as chairman. Frank T. Lodge, a local attorney, delivered an address on

"The Spirit of Good Fellowship." Speeches were made by C. W. Hatton, field superintendent of the Equitable Life of Iowa, on "Benefits of Life Insurance"; E. H. Fuller, of the Northwestern Mutual, on "Unfair Competition," and W. Rice-Wray, on "Ethics of Insurance." Derby A. Day was scheduled to deliver an address on "Taxation," but that gentleman had been detained on account of sickness.

District of Columbia.

The March meeting of the District of Columbia association was in honor of J. E. Kreh, Jr., district agent of the John Hancock at Washington. Mr. Kreh was one of the charter members of the local body, and in recognition of his ability he has been appointed general agent of the State of Iowa.

Fort Dodge

The fact that Fort Dodge is assuming a place of importance as a life insurance center is evidenced by the fact that agents located in that city produced in 1913 approximately \$4,000,000 of new business. The Fort Dodge association is largely responsible for this information, which was brought to light at its regular monthly meeting held on the 4th inst. M. V. Keith delivered an address on "The By-Products of Life Insurance," after which there was a general discussion.

Georgia.

The Georgia association held a meeting on March 10 at the Ansley Hotel in Atlanta. Twelve new members were admitted and it is expected that the association will soon have a membership of over 100 active members.

The Insurance Department of Georgia has ruled that to accept premium notes without legal interest constitutes rebating and is therefore in violation of the anti-rebate law of the State. Action was taken upon this matter and a resolution was adopted instructing the general agents and managers to call the subject to the attention of special and local agents throughout the State.

There was a discussion on the question of brokerage to non-licensed agents and it was the consensus of opinion that no remuneration should be given to anyone for influencing business who was not a licensed agent of some company authorized to do business in Georgia.

Grand Rapids.

A particularly interesting and profitable dinner meeting was enjoyed at the Pantlind by the Grand Rapids association at its March meeting. M. H. Zacharias, president of the Detroit association, was the principal speaker. It was hoped that Governor Ferris would be able to attend later in the evening, after the conclusion of his address before the United Commercial Travelers at the Association of Commerce, but he was unable to make both meetings, and the insurance men adjourned without the anticipated pleasure.

Mr. Zacharias spoke informally, giving the conclusions of many years' experience in life underwriting, and making some recommendations which were received with favor.

Informal remarks were made by a number of other members. A. H. Bennett acted as toastmaster. Several readings were given by Clarence S. Weil and William J. Fenton sang solos, being accompanied by Ferdinand Warner.

Harrisburg.

The new officers of the Harrisburg association were installed at a meeting held on the 6th inst. The officers are: Richard Oliver, New York Life, president; W. H. Cordry, Massachusetts Mutual, vice-president; Albert A. Wert, New England Mutual, secretary-treasurer. The committee on taxation is composed of John T. Shirley, Equitable of New York; J. R. Morrison, Phoenix Mutual, and W. E. Wambaugh, Mutual Life.

Arrangements are being made for a banquet to be held on the 30th ult., to which agents from outlying towns will be invited with a view to extending the benefits of the association to districts which have no local bodies. National Vice-President Edward A. Woods will deliver an address on this occasion, and it is possible that National President Clark will also be present.

Indiana.

The regular March meeting of the Indiana association was held at the Denison Hotel in Indianapolis. The new officers were installed and President-elect George R. Wilson delivered an inaugural address, the subject of which was "Opportunities." Mr. Wilson's address was so enthusiastically received that it will be printed in pamphlet form. Retiring President Gary S. Brewster was presented with an engrossed testimonial of appreciation and esteem. Among the guests of honor were H. L. Arnold, actuary of the Indiana Insurance Department, and Mr. Fraleigh, actuary of the Illinois Insurance Department.

Northern Indiana.

The Northern Indiana association recently elected the following executive committee: Chairman, E. A. Crane, S. K. King, Delmar C. Fitch, Walter J. Wilson and Charles W. Orr.

Iowa.

George W. Hughes, president of the Iowa association, presided as toastmaster at a meeting of that association held on the evening of the 4th inst. The principal address was made by Rev. Charles W. Medbury, pastor of the University Church of Christ and a well-known Chautauqua speaker.

Kalamazoo.

H. Wibert Spence, of Detroit, a prominent member of the national association, assisted in organizing the Kalamazoo Life Underwriters' Association on the evening of March 18, in the Commercial Club rooms. The meeting, which proved to be one of the most enthusiastic of any held by insurance men for some time, resulted in the election of these Kalamazoo agents as officers:

President, T. Y. Sebring; first vice-president, J. E. Broyles; second vice-president, A. C. Gilbert, and secretary-treasurer, F. W. Hough. The executive committee is composed of Chairman John D. Goldsmith, C. D. McGibney and Morris Bolhower.

The association has for its object the advancing of the best interests of life insurance and the bringing of those engaged in the business into a more intimate and friendly relationship.

All representatives, examiners, officers or employees of regular legal reserve life insurance companies, and members of the insurance press are eligible to membership.

The regular meetings of the association will be held in the Commercial Club rooms on the second Monday of each month save during the months of July, August and September. The following underwriters signed the constitution and by-laws. The charter membership was held open until April 1.

S. S. Evans, Morris Bolhower, A. C. Gilbert, George H. Broesamle, W. H. Spaulding, T. Y. Sebring, J. D. Goldsmith, Herbert S. Waldo, C. D. McGibney, E. A. Reese, F. W. Hough and J. E. Broyles.

Kansas City

A meeting of the Kansas City association was held at the Kansas City Athletic Club on March 20, with President M. F. Belisle presiding. Three new members were admitted, and W. B. Henderson, of the National Life of Vermont, delivered an address on "Bankruptcy's Bearing on Life Insurance."

Mr. Belisle will serve as chairman of a committee which will endeavor to secure a lower annual occupation license for life companies. The accident rate is \$25 a year, while that for life and fire companies is \$100. The life underwriters do not understand why they should pay more than the accident agents. Mr. Belisle will be assisted by F. A. Griffith, George A. Lock and Ira B. Mapes. Among others who spoke at the meeting were T. L. Hanson, assistant to the second vice-president of the Germania Life of New York, and H. M. Woolen, president of the American Central.

Knoxville.

Life insurance taxation was the principal theme of a meeting of the Knoxville association, held on March 25. Reau E. Folk, former Insurance Commissioner of Tennessee, and at present general agent in that State for the Equitable Life of

New York, delivered an instructive address on that subject. Mr. Folk said in part:

"Under the constitution of this State property for religious and educational purposes is exempt from taxation, the theory being that this property constitutes benefits to society and civilization, which justified every encouragement from the Government.

"The institution of life insurance is for the good of society. It is the greatest agency in combating poverty and distress and causes the community and State from being at the expense of caring for the indigent. It would therefore be sound public policy to deal with insurance companies with extreme leniency in taxation. This Government is the only Government that imposes a tax."

Other interesting addresses were made by Col. L. D. Tyson, Dean James D. Hoskins, of the University of Tennessee; Hon. T. Asbury Wright, and J. H. Anderson, of the Anderson Dulin-Varnell Co.

The following resolution on taxation was adopted:

The institution of life insurance bears a sacred and delicate relation to civilization and to our social and economic life, in that it is the most effective agency in combating poverty and distress.

We believe that such a business deserves every encouragement at the hands of the Government, and especially, that the burdensome premium privilege tax it now pays, should be entirely eliminated, thus giving policyholders in reserve companies the same exemptions as are now properly given to fraternal insurance.

We recognize that the burden of taxation now imposed on life insurance is too heavy, and that it is out of proportion to the privilege tax laid upon other interests, and, to quote the language of Hon. Reau E. Folk, our honored guest to-day, "should be entirely wiped off the statute books."

Resolved that this association extend a vote of thanks to Reau E. Folk for his forceful talk upon this vital subject, that we endorse all he said, and that we earnestly request of him a synopsis for publication.

Lansing

The Lansing association held a meeting early last month at the Chamber of Commerce. Dr. H. S. Bartlett discussed venereal diseases as related to life insurance. J. Earl Brown, of the legal department of the Modern Woodmen of America and also connected officially with a Michigan legal reserve company, argued that there should be no conflict between fraternal and old line insurance. He claimed that the fraternal companies had educated the public to feel the need of insurance and that when assessment rates were put on an adequate basis they could then furnish safe insurance.

H. Wibirt Spence, who was instrumental in organizing the Kalamazoo association, attended a meeting of the association on the 23d of last month. He urged the local body to become affiliated with the national association, and the members were so impressed with Mr. Spence's arguments that it is quite likely that action along these lines will be taken in the near future.

Lincoln

The Lincoln association has taken on a new lease of life and its members will make an earnest effort to increase its membership. At the March meeting Insurance Commissioner L. G. Brian spoke on the subject of "The New Insurance Code of Nebraska." Mr. Brian made a particular point of his intention to eradicate bad practises in insurance and to license only reputable men. The following new members were admitted: Joseph Goldstein, Carl A. Stein, T. F. Horn, Wray A. Lindly, N. H. Gardner, E. E. Hammond, R. B. Porter, A. B. Cogdill and Carl L. Allen.

Los Angeles

The Los Angeles association held an enthusiastic meeting last month at the Press Club. The guests of honor were Judge W. Rhodes Hervey, F. A. Stearns, manager of the Pacific Mutual in San Francisco; Hubert H. Ward, manager of the

Pacific Mutual at Portland, and W. D. Mead, representing the same company at Seattle. I. J. Muma was appointed chairman of the Committee on Education and Conservation, and several new members were admitted. James L. Collins was appointed to provide amusement at future meetings.

Judge Hervey's subject was "The Conservation of Trust Funds." He discussed the subject from the standpoint of life insurance and from the standpoint of trust companies. Mr. Stearns spoke briefly and touched upon the necessity of life insurance men keeping in good physical condition. Hubert H. Ward gave a rousing talk on institutional advertising, and William D. Mead followed by giving his views on the advisability of advertising in local newspapers.

Louisville

Winslow Russell, superintendent of agents of the Phoenix Mutual, was scheduled to be the principal speaker at the March meeting of the Louisville association. Mr. Russell was unavoidably detained, but will deliver his address on "Efficiency" at some future meeting of the organization. It was determined to hold a banquet in the near future to which business men will be invited to hear addresses by Jesse R. Clark, president of the Union Central; A. A. Welch, vice-president of the Phoenix Mutual, and Mr. Russell. Mr. Rosseau, who represents the Union Central at Louisville, will have charge of the program and the date will be announced later.

Louisiana.

The March meeting of the Louisiana association was held at the residence of W. J. Hannen, of the Mutual Life. Announcement was made that Tulane University had agreed to permit three lectures on the subject of life insurance during the remainder of the present session. Eugene J. McGivney delivered an address on "The Attitude of the State and Courts on the Business of Life Insurance." Other features of the meeting were the creation of a non-resident class of membership and arrangements for the publication of educational articles in a daily paper. The executive committee reported that arrangements had been made with the *Daily States* for a life insurance department to be published once a week.

Lynchburg

National President Ernest J. Clark was the guest of honor of the Lynchburg association at a meeting held on the evening of March 22. Mr. Clark delivered a stirring address, in which he pointed out that life underwriters have to deal with matters of more serious import than any other body of men except ministers of the gospel. The national president maintained that an insurance man must be a counselor as well as a salesman. He condemned loans on policies and suggested a legislation committee be appointed.

John Victor spoke of insurance from a banker's standpoint and claimed that a man's life insurance was the measure of his credit. Rev. Dr. James B. Dunn said that life insurance was a source of great comfort and protection to the man of small means. T. B. Ryland spoke briefly along the same lines.

Maine

Griffin M. Lovelace, superintendent of agencies of the Connecticut Mutual, was the guest of honor of the Maine association at its annual meeting. Mr. Lovelace delivered an address on "The Professional Aspect of the Practise of Life Insurance." The following officers were elected: President, Ernest E. Decker; vice-president, C. B. Shoemaker; secretary, Sylvan B. Phillips; treasurer, J. Putnam Stevens; executive committee: Thomas E. McDonald, Freeman M. Grant and C. A. LaCroix.

Insurance Commissioner J. W. Blunt, and Stewart Anderson, editor of the literary department of the Massachusetts Mutual, were guests of honor at a meeting of the Maine association, held in the afternoon of the 4th inst., at the Fal-mouth Hotel in Portland. Other speakers were Hon. Morrill N. Drew and Halbert P. Gardner.

Central Massachusetts.

At the Hotel Bancroft in Worcester, on the evening of March 26, the Central Massachusetts association held its

annual banquet. The gathering was most successful and enthusiastic, and reflected much credit upon the banquet committee composed of President E. A. Robertson, Eli Bouchard and Otis D. Arnold.

Mr. Robertson presided as toastmaster, and in the course of his remarks, expressed regret at the absence of President Wright of the State Mutual, who was down upon the program as one of the principal speakers. Mr. Wright was unavoidably detained. The president also called the attention of the members to the New England Congress of Life Underwriters, which is to be held in Boston April 27.

Louis I. Dublin, statistician of the Metropolitan Life, was first formal speaker. Mr. Dublin's address was more or less confined to a consideration of life insurance in dealing with community problems. He gave particular attention to the State and other systems of insurance as operated in other countries, particularly Germany.

Griffin M. Lovelace, superintendent of agencies of the Connecticut Mutual, was the next speaker, and the subject of his address was "The Professional Aspect of the Practice of Life Insurance." Mr. Lovelace said in part:

"It is my purpose to outline the leading features which, in my opinion, give the work of certain life insurance men something of the character of a profession. It is not necessary to remind anyone that there is a distinct difference between a business and a so-called profession. Aside from the special education involved in training for the professions, we know that a profession requires certain qualifications, a certain natural fitness or aptitude for the work to be done, together with a natural inclination to such work, and in its highest sense, a conviction that one can render service of a high order. We know that ordinarily the choice of an occupation is largely a matter of chance and of earning a living. The chief consideration would unquestionably be, in most cases, the opportunity to make money. On the other hand, there can be no doubt, I believe, but that the average young man who considers entering a profession is largely actuated by other motives. He is actuated by the feeling that he is by temperament, inclination and mental bias better qualified to do well the things which would be entrusted to his care as a member of a certain profession than to perform the duties of another occupation.

"It seems to me, ethically speaking, entirely right for a man to take up the selling of life insurance for the same reasons which would prompt him to undertake to sell shoes or hardware—simply because he believes that life insurance offers him the best opportunity available for profit and advancement; for the public, including our agency novitiates, do not realize the inherent professional qualities characterizing life insurance work, as they do in the long recognized professions. We would not, however, entertain a very good opinion of the man who, after reasonable experience as an agent, is not actuated, in a considerable degree, by higher motives in inducing men to insure and in assisting them to select contracts and forms of settlement which best safeguard their interests.

"As the conscientious agent's knowledge of life insurance and of his obligations to clients is enlarged, he will abandon what we may call the strictly commercial view of the business for the professional one."

John F. Murray, New England superintendent of agents of the Metropolitan, amused his audience with several good stories, and Rev. Allen K. Frost, pastor of the First Baptist Church, delivered a five-minute sermon, the text of which was "Stick to Your Work Until You Get Through With It."

Minneapolis.

The regular meeting of the Minneapolis association was held at the West Hotel on March 28. Mr. Mitchell, of the Mitchell Advertising Agency, appeared in behalf of Warren M. Horner, who was present at the meeting, but was compelled to leave before the banquet was finished. Mr. Mitchell has been assisting in preparing the advertising to be used in the institutional advertising campaign of the National Association, and he made a thorough explanation of what

had been accomplished up to that time. Mr. Mitchell gave an outline of where the committee proposed having these articles published and explained that different articles had been prepared to reach different classes of people. Several new members were admitted.

Minnesota.

The Minnesota association held its regular meeting on the 6th inst at Magee's Hotel in St. Paul, the principal speaker being Grant Van Sant, of the Van Sant Investment Co. Mr. Van Sant discussed "Farm Mortgages and Life Insurance." He said in part:

"There are a few places where life insurance touches the same things that do farm mortgages. The element of protection, which is a feature of the life insurance business, is also applied in the farm mortgage business. The insurance company protects dependents of the insured; farm mortgages also protect dependents, both as to income and safety of investments. It is my belief that farm mortgages to-day prove the best investments and a desirable investment for the insurance companies. Insurance companies who invest their reserves in farm mortgages have a better standing with the public in general, and the farmers especially, than companies who invest their surplus earnings in stocks and bonds. It is the experience of some of the insurance companies that they have been forced into taking farm mortgages, especially where the largest volume of their business came from farming districts."

At the conclusion of Mr. Van Sant's speech, W. Horace Locher moved that Senator J. D. Denegre, Jerome W. Wheeler, president of the Capital Trust Company, and Grant Van Sant be elected honorary members of the association. The motion was unanimously carried.

George F. Harrison then introduced G. M. Davis, who is national organizer of the National Highway Association. Mr. Davis gave a summary of the work that is being done in good roads and improvements, and touched upon the increased value of farm lands.

Montana.

The newly organized Montana association met recently at Missoula and elected the following officers: I. M. Robertson, president; W. I. Frasse, vice-president; S. W. Hoover, secretary; executive committee, E. E. Harriott, John Pierce, Guthbert Peat, W. I. Frazer and H. K. Rouzer.

Nashville.

At the April meeting of the Nashville association a committee composed of President W. A. Alexander, N. A. Crockett, Reau E. Folk and Lee L. Loventhal was appointed to prepare resolutions on the question of taxation and to forward such document to the officers of the National Association. Numerically the association is making rapid increase, and since the annual dues have been cut in half 19 new members have been taken in.

Nebraska

At the March luncheon of the Nebraska association, Charles C. Rosewater, business manager of the "Omaha Bee," gave an address, setting forth the close relationship of advertising and teaching. It was his conviction that all life insurance advertising should be directed toward teaching the public the usefulness and necessity of it as well as calling attention to the particular company doing the advertising.

New Orleans.

In the course of his first lecture to Tulane University classes, Wilson Williams, general agent in New Orleans for the New England Mutual Life, traced the history of United States life insurance from its small beginning in 1739 to its present immense proportions. He declared that the combined assets of all companies, which have doubled every ten years, now largely exceed the total gold, silver and paper money in the United States.

"As the most scientific system of co-operation known to man, life insurance," he said, "stands to-day as the greatest achievement of civilization. It has gained public respect by demon-

strating its needs, and justified its merit to confidence by material benefits afforded."

Mr. Williams' lecture was to the economics and sociological classes, Dr. M. A. Aldrich, professor. It was the beginning of a series that will have for its faculty members of the Louisiana association. Tulane adopted the progressive course followed by 263 out of 588 colleges and universities in this country.

New York.

There were no members of the W. C. T. U. present at the March meeting of the New York association, and the Anti-Saloon League was likewise unrepresented. Yet "demonium" was handled roughly! Indeed, at the conclusion of the meeting those present were convinced that alcohol was a most insidious enemy to individual efficiency and longevity. This impression was not produced by a dramatic appeal of a fanatic reformer, but came as the direct result of the cold analysis of the statistics submitted by Dr. Oscar H. Rogers, chief medical director of the New York Life, and Actuary Robert Hunter of the same company. Dr. Rogers and Actuary Hunter based their addresses upon the recent Medico-Actuarial Mortality Investigation, directed by the Actuarial Society of America and by the Association of Life Insurance Medical Directors.

The meeting was held at 8 o'clock in the evening of March 4, at the Hotel Astor, with an unusually large attendance. Lawrence Priddy, chairman of the executive committee, reported the election of several new members, and that progress was being made in prosecuting several cases of rebating.

This was the first meeting under the present administration and in every respect it proved to be a success. President Julian S. Myrick outlined plans for the three succeeding monthly meetings. The April meeting will be held on the 1st and will be devoted to a discussion of life insurance taxation. National Vice-President Edward A. Woods will be the principal speaker. At the May meeting four representa-

tive agents will discuss topics assigned to them, which will all relate to the production of business. The legal side of life insurance will be the subject of the June meeting and the program will take into consideration the effect of bankruptcy laws on life insurance, also the corporation and income tax.

Cards were distributed seeking information from the members as to their individual preference in holding the regular meetings. By an overwhelming majority it was decided to hold the April, May and June meetings at 8 o'clock in the evening.

The facts brought out by Mr. Hunter in discussing medical selection and the treatment of persons in hazardous occupations proved conclusively that the experience of the companies had not been favorable with alcohol risks. The mortality experience had been noticeably unfavorable even where the individual drank alcohol but seldom. In the investigation which started in 1909 the experience of 43 legal reserve companies had been carefully analyzed and the results tabulated. He referred to comparative tests, all of which proved beyond the question of doubt that alcohol affects both the muscular and mental powers. In that division having to do with saloonkeepers and bartenders it was found that where the proprietor did not tend bar the extra mortality was 35 per cent. Where saloonkeepers did tend bar the mortality was 80 per cent. extra. Experience showed that where 300 men in ordinary occupations die 200 extra die in the liquor trade. In the case of distillers, however, there was a ratio less than normal. The statistics which were quoted gave a 22 per cent. extra mortality in the wholesale liquor trade among proprietors and 50 per cent. extra mortality in the case of restaurant proprietors who have bars attached to their business.

Mr. Hunter mentioned the experience of the New England Mutual, which showed a 60 per cent. loss ratio among total abstainers, 85 per cent. among temperate and 125 per cent.

BROKERAGE BUSINESS!

Our Best Agent Makes a Sale!

A Broker Gets the Commission!

We Are Protecting the Full Time Men in Our Agencies!

Such a policy increases loyalty to the Company,
and better still--the business done will have a

LOWER MORTALITY and a LOWER LAPSE RATE
than the brokerage business

We are trying to do our part in really making this a better business.

Phoenix Mutual Life Insurance Company
OF HARTFORD, CONN.

JOHN M. HOLCOMBE, President

ratio for moderate drinkers. The speaker took up the results shown with regard to women insured and gave the following percentages of mortality experience: Spinster, 80 per cent.; married women with husbands as beneficiaries, 1.26 per cent.; married women with other beneficiaries, 1.15 per cent.; widows and divorced, 1.05 per cent. In referring to

self-selection as compensating for company selection or agent selection, Mr. Hunter said that under endowment policies the mortality was 85 per cent. of the expected, while under limited payment and ordinary policies the experience was 100 to 120 per cent. of expected.

As to the result of the investigation, Mr. Hunter claimed

"What the Equitable Offers"

What the Equitable Offers is the title of a booklet listing in detail the many attractions and advantages of Equitable policy contracts.

While intended for the prospective insurer, it will interest any insurance salesman who is curious to know why Equitable policies sell readily, renew steadfastly and meet every conceivable need of all classes of insurers. A copy will be sent to any address on request.

The Equitable Life Assurance Society

of the United States

165 Broadway, New York

W. A. DAY, President

Trouble Proof are the Policies

ISSUED BY THE



WILLIAM N. COMPTON

General Agent Metropolitan District

ST. PAUL BLDG. 220 BROADWAY
NEW YORK, N. Y.

THAT'S WHY AGENTS
HAVE A MINIMUM OF
TROUBLE SELLING
THEM.

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He wants it to "stand up," to do its work, to be reliable, quick to respond, ready for emergency or long continued work.

These qualities make the L. C. Smith & Bros. typewriter prominent in the typewriter world.

The ball bearings at all frictional points place it in a class by itself from a mechanical standpoint.

Viewed from the HUMAN angle, the operators of this typewriter do more work and are less tired at the close of the day. If you look into the matter closely, you can't reach any other conclusion. Send for free book.

L. C. SMITH & BROS. TYPEWRITER CO.

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that agents could not expect more liberality in the acceptance of risks as a whole, although there were several occupations which were receiving more liberal treatment than hitherto, but the result would be noticeable by means of fairer and more just conclusions.

Dr. Rogers, who followed Mr. Hunter, not only corroborated his predecessor on the question of alcohol, but presented many interesting facts in a new light. In explaining the relationship of the medical director to company and agent, he said that it was the duty of the medical director to accept all risks which could be accepted without danger to the company. One important question taken up by Dr. Rogers was the question of the influence of build on mortality. Experience proved that overweight after 30 or 35 years of age might be regarded as an impairment, and that it made little difference where the extra weight appeared, whether in the arms, shoulders or abdomen. Young people under weight have been found to be not as good risks as young people overweight, and the reverse of this experience has been found among the people in advanced years. The investigation proved that the experience with syphilis had been most unfavorable, 100 actual deaths occurring where 53 were expected. Dr. Rogers also discussed blood pressure tests and dwelt to a considerable extent upon the diseases caused by high blood pressure.

Slips had been distributed among the members, and those who desired to do so wrote upon them questions in relation to the two addresses. Actuary Hunter and Dr. Rogers then answered the questions.

North Dakota

The North Dakota association at its March meeting adopted a resolution endorsing the attitude of Insurance Commissioner Taylor, who is making an effort to secure, through legislation, the services of a State actuary. Wilbur Lawrence spoke upon "Organization and Its Benefits," and George H. Olmsted of Grand Forks, discussed "Insurance Legislation." There was an informal discussion on both addresses.

Oregon.

With a splendid attendance the Oregon association held

its March meeting at the Commercial Club at Portland, and an interesting paper on "Twentieth Century Life Insurance in the United States" was read by Secretary Joseph H. Gray. One of the features of the program was an effort on the part of several members to insure the lives of their competitors. W. S. Raker, of the Northwestern Mutual, sold H. G. Colton, manager for the Massachusetts Mutual, a \$5,000 ordinary life policy, and Horace Mecklem, of the New England Mutual, succeeded in inducing E. W. Amesbury, of the Northwestern Mutual, to take out a \$10,000 20-year endowment.

Members of the association were enthusiastic over their success in instituting in the Portland *Oregonian* a department of educational articles on life insurance, which makes its appearance once a week.

Northwestern Insurance News states that the Oregon association has not taken favorable action on the proposed second annual Northwest Insurance Congress. "This action was taken," says *Northwestern Insurance News*, "after the matter was passed upon adversely by the Oregon executive committee, referring it back to the association, who in turn put it up to the general managers for their decision. These gentlemen, who were apparently overcome with the idea of an enormous amount of labor involved, to say nothing of a few paltry dollars of expenditure, once and for all disposed of the subject without batting an eye. Child's play would be a dignified comparison of the action and arguments of the members of the Oregon association who have tried to nip the good work of the convention in the bud. The moral obligation to carry out the program of this convention with a determined effort to make it a success seems to have been lost sight of entirely by the Oregon Association of Life Underwriters, otherwise it would have expressed itself earlier in the game when the matter was first brought to its attention at the meeting following the Seattle Congress. At that time—last September, a report was made by those members who attended the Congress and no objection was raised; nothing but enthusiasm for the project being in evidence. Surely Tacoma and British Columbia were entitled to a

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We are the leading specialists in Annuity business.

Special terms for Annuities on impaired lives.

Good contracts for men who can sell our attractive Life, Endowment and Annuity policies.

SUN LIFE ASSURANCE CO. OF CANADA

HEAD OFFICE, MONTREAL.

ROBERTSON MACAULAY, Pres.

T. B. MACAULAY, Man. Dir.

MANAGERS IN UNITED STATES

C. S. V. BRANCH.....Philadelphia, Pa.
HAYES and BROOKS.....Pittsburgh, Pa.
F. C. HOLBECK.....Lansing, Mich.

NEIL D. SILLS.....Richmond, Va.

C. E. KREGLOE.....Baltimore, Md.
ERNEST W. OWEN.....Detroit, Mich.
E. E. WILKINSON.....Port Huron, Mich.

prompt, decisive answer at least not later than November, 1913. Now it will be next to impossible for either of these associations to undertake the idea with any assurance of success due to the short period existing before the Congress is to convene. If any city can step in now and do as well as Seattle did or make any kind of a showing it will certainly not add any laurels to the Oregon association, that did not care to toil nor did not care to spin, and did not care to work because it did not think it could win."

Philadelphia.

The April meeting of the Philadelphia association was held at the Adelphia Hotel. Letters of regret were read by Vice-president Eugene O. Mosier, who acted as toastmaster, from Ernest J. Clark, president of the national association, and Neil D. Sills, ex-president of the national association.

Richard Y. Cook, president of the Guarantee Trust and Safe Deposit Co., was on the program for the subject, "Life Insurance, Its Relationship to Banking and General Business."

"I fear I will say but little along the lines that have been laid for me by your chairman. What I have to say will be social, rather than financial," said Mr. Cook. "It is wiser and better to take counsel of the moment. There is one thing that always happens and that is death. It is your mission to rob death of its greatest fear and draw into your sure protection those who are widowed and orphaned."

"I would suggest to you that you never mistake activity for business. Do you not think our political rulers, in attempting to continue our Government, are mistaking activity for business when it is proposed that the State shall go into the insurance business? From long experience and the history of nations, I am a firm believer in development of the individual."

Puget Sound.

The Puget Sound association has made plans for a campaign of education and publicity not only in Seattle, but throughout the State of Washington, to inform the public as to the injustice of the taxation of life insurance funds. Guy Withers, manager for the Equitable of New York, is chairman of the committee which will have this work in hand.

Richmond.

With a large attendance, the Richmond association held its regular monthly meeting on the 6th inst. at the Business Men's Club. President E. M. Crutchfield presided. The regular business session was preceded with luncheon. Thirteen new members were admitted and four applications were received too late for action at the meeting. Mr. Crutchfield appointed the following Committee on Taxation: Samuel B. Love, Neil D. Sills, T. A. Cary, W. B. Cary, W. B. Freeman and A. O. Swink.

Mr. Crutchfield called the attention of the members to the Cincinnati Convention Club, expressing the hope that the convention would be attended by a large delegation from Richmond. He then called upon the secretary to read the totals of business in the State of Virginia of the five home

companies and thirty-four foreign companies. Dr. Paul W. Howle, who is examiner for four companies doing business in the city, was introduced and talked in an interesting fashion on the relation of the examiner to the company and to the field force. He described the instruments used in making examinations and the causes of high blood pressure.

Rochester

The Rochester association held its regular March meeting on the 18th of that month, and the following new members were admitted: Wm. E. Crossett, National Life of Vermont; Geo. S. Bush, Northwestern; Isaac Rosenbaum, Mutual Life, and W. H. Beers, Jr., Mutual Benefit.

The challenge of the Syracuse association to a membership contest from March 31 to May 31, inclusive, was accepted, and a special committee of fifteen was appointed by the president to take charge of the matter.

The proposed plan of institutional advertising of the National association was thoroughly discussed and a committee of three was appointed to confer with the general agents and managers, who in turn will take the matter up with their agents, in an endeavor to ascertain the consensus of opinion of the matter. The ethics of the business in competition and the question of when competition should cease was then the subject of an informal discussion.

St. Louis.

At the March meeting of the St. Louis association T. W. Van, of the Koken Barber Supply Co., delivered an excellent address on "Salesmanship." Gustavus Tuckerman discussed "St. Louis and the Pageant," and W. H. Bloomer, special agent of the Northwestern Mutual, had as his subject "The New Era of Agricultural Development and Rural Betterment and Its Influence on Life Insurance."

Salina.

The regular monthly meeting of the Salina association was held at Abilene on the 2d inst., and several new members were admitted. The members of the association were the guests of W. C. Wyandt, general agent of the Union Central of Cincinnati. In the afternoon the guests were given an automobile ride and at 6 o'clock a banquet was served in the Masonic Temple by the ladies of the Western Star.

Springfield, Mo.

The annual meeting of the Springfield association was held recently. Fifteen members were present. Officers were elected as follows: President, Marion A. Nelson, agency manager for the Equitable Life of New York; vice-president, John M. Stewart, district agent for the Northwestern Mutual; secretary, Melville E. Dark, district manager for the Illinois Life, and treasurer, Jake Marx, district manager for the John Hancock. William A. Banks was named as a member of the executive committee. The retiring officers are: President, Wm. A. Banks; vice-president, M. E. Dark; secretary, M. J. Thomas, and treasurer, Frank P. McAfee.

The standing committee for the year will be appointed by the new president at the next regular monthly meeting. Five new members were balloted on and accepted. A vote of



"Hitch Your Wagon to a Star"

Translated from Emerson to insurance language means tie up with
A Prosperous and Progressive Company

Year	*New Life Insurance.	*Total Life Insurance.	Accident Prem'n Collections.	Cash Income.	Admitted Assets.	Act. to Exp. Mortality.	Aver. Int. Earned.
1908.....	\$17,820,609	\$100,593,679	\$835,181	\$5,633,124	\$16,100,073	58.96%	5.16%
1909.....	18,232,323	107,245,105	1,007,370	6,164,528	18,429,204	53.50%	5.24%
1910.....	17,986,641	113,882,634	1,276,820	6,750,765	20,765,188	63.90%	5.65%
1911.....	19,702,114	122,514,447	1,515,622	7,445,494	23,363,286	56.85%	5.81%
1912.....	22,378,787	133,309,014	1,739,392	8,199,096	26,243,005	62.28%	6.05%
1913.....	24,088,687	145,040,193	1,944,836	9,079,865	29,338,151	66.47%	6.15%

*Paid-for business.

HOME OFFICE: LOS ANGELES, CALIFORNIA

thanks was given the retiring officers for their services during the past year.

Plans were outlined for continuing the work of the association in its efforts to raise the standard of life insurance as a profession, all applicants for membership agreeing to pursue only ethical methods in soliciting business; to abolish "twisting," misrepresenting and other methods used by unscrupulous agents; and to promote a general good fellowship among the agents doing business on the square.

Syracuse

Captain I. H. Wise, general secretary of the Syracuse Chamber of Commerce, was the principal speaker at the March meeting of the Syracuse association. Several new members were admitted.

Tacoma.

At the Olympus Hotel in Tacoma, the Tacoma association held a meeting on March 21. There was a series of five-minute talks on "How to Get More Business," after which the meeting was turned over to the representatives of the Bankers Life of Des Moines, who entertained with a musical program.

Topeka.

The Topeka association held its monthly meeting on March 16. H. O. Garvey and C. A. Moore were the principal speakers. Charles DeForest, Massachusetts Mutual, Lawrence, Kan., was admitted to membership.

Utica.

The Utica association held its April meeting at the Frantz Inn. Routine business was transacted and arrangements were made for a meeting which will probably be held on the 28th inst. Prominent out-of-town speakers have been invited. It is also decided to supply men representing this association

as speakers on life insurance topics before church clubs or similar organizations in neighboring towns.

Utah.

A meeting of the Utah association was held in the Gold Room of the Commercial Club on the 4th inst., and developed into a "ladies' night." President C. D. Kipp called upon Mrs. Done, wife of Insurance Commissioner Willard Done.

**AGENTS WHO REPRESENT
THE
PENN MUTUAL
LIFE INSURANCE COMPANY
OF PHILADELPHIA**

**HAVE AN INSURANCE CONTRACT
TO PRESENT WHICH IN THE SUM
OF ALL ITS BENEFITS IS UNSURPASSED
IT IS BEST NOT JUST ONE WAY
BUT BEST ALL WAYS
AND ALWAYS
BACK OF IT IS A SIXTY-SEVEN YEAR
REPUTATION FOR FAIR DEALING
WITH ALL ITS POLICYHOLDERS WHETHER
CONTINUING, WITHDRAWING, MATURING
OR DYING**

This kind of Life Insurance almost sells itself

\$10,000 Ordinary Life, Issued 1911, at Age 45.

Premium subject to annual dividends.....	\$378.50
Dividend at end of First Year.....	\$74.20
Reducing net cost for First Year to.....	\$304.30
Dividend at end of Second Year.....	\$77.50
Reducing net cost for Second Year to.....	\$301.00
Dividend at end of Third Year.....	\$80.90
Reducing net cost for Third Year to.....	\$297.60

This Shows the premiums and dividends on a typical Union Central Policy.

How does the Life Insurance you now sell compare with it? Could you meet this policy in competition and beat it?

If you are interested in selling more Insurance, thereby earning for yourself more commission, write today to

The Union Central Life Insurance Company

OF CINCINNATI

Offices for rent in the Union Central's Magnificent new office Building Cincinnati

Jesse R. Clark, Pres.

Allan Waters, Sup't of Agents

THE LYONS PRINTING COMPANY

MONOTYPERS
LINOTYPERS
BINDERS

**High-Grade Book and
Catalogue Printing**

EXPERTS IN
INTRICATE
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NEW YORK OFFICE
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A MODERN PLANT
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Mrs. Done proved equal to the occasion and related a number of amusing anecdotes in connection with her husband's work. Mrs. Done's speech was such a success that Mr. Kipp then called upon Mrs. Elizabeth H. Coray, of the Salt Lake staff of the Equitable of New York. Mrs. Coray was not to be outdone by Mrs. Done and give in an entertaining manner a humorous story of certain prospects that she had written. Rev. Peter A. Simpkin, of the Phillips Congregational Church, spoke briefly and advocated the payment of all death claims to widows on the instalment basis. Other talks were made by Mrs. Kipp, wife of the president; Miss Geransd, of the Continental Life, and State Treasurer O. V. Allen of Idaho. A committee on taxation was appointed, as follows: D. H. Livingston, New York Life, chairman; George D. Alder, National Life of Vermont; N. G. Stringham, Continental Life; Fred C. Hathaway, Mutual Life, and E. A. Ricker, Equitable Life.

West Virginia.

C. V. Taylor, general agent of the Northwestern Mutual, was the principal speaker at the March meeting of the West Virginia association. The subject of Mr. Taylor's address was "The Outlook for the Insurance Man." The meeting was held at Wheeling on the 21st of March.

Western Kentucky

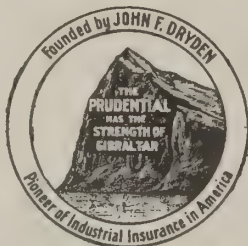
The newly organized Western Kentucky association met at Dixon on March 23. Those present were as follows: A. W. Toy, Metropolitan Life; C. H. Nichols, Equitable Life; M. W. Bartlett, Metropolitan; C. H. Blackwell, Reliance Life; W. B. Snow, Mutual Benefit; R. L. Price, Columbia Life, and E. K. Coffman, Travelers of Hartford.

Examiners E. N. Rice, A. O. Williams and W. L. Wallace were made honorary members of the local body and agreed to lend their assistance in stamping out "flyer" insurance. The next meeting of this association will be held at Dixon on May 1.

A Favorable Agency Contract

under which a
man can work
with satisfac-
tion and profit
—that's the
Prudential
contract.

Write us
about an agency.



THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

FORREST F. DRYDEN, President.

Home Office, Newark, N. J.

Incorporated as a Stock Company by the State of New Jersey.

A Big First Quarter!

January, February and March each far exceeded in new business the same months in 1913. And this first quarter rolled up the biggest total of any first quarter in the Company's history. Reasons: Up-to-date policy contracts, low net cost, Company's reputation, satisfied and prosperous representatives. Have you met the Massachusetts Mutual in competition? Would you like to meet it as one of its representatives?

Occasionally we have a general agency opening.

JOSEPH C. BEHAN, Supt. of Agencies

Massachusetts Mutual
Life Insurance Company

Incorporated 1851

Springfield, Mass.

ÆTNA Life Insurance Co.

OF HARTFORD, CONN.

ISSUES BOTH

Participating and Non-Participating
Life and Endowment Policies

Also Non-Participating Term Policies

Agents will find that the policies of this Company cover a wider range and provide greater benefits than others, and are therefore easiest to sell.

Experienced and successful men, also successful men without life insurance experience, may find satisfactory opportunity with the ÆTNA LIFE. Address:

FRANK BUSHNELL, Agency Secretary,
HARTFORD, CONN.
or T. B. MERRILL, Supt. of Agencies,
134 Monroe Street, CHICAGO.

Life Association News

OFFICIAL ORGAN OF THE NATIONAL ASSOCIATION OF LIFE UNDERWRITERS

Entered as second class matter, Feb. 4, 1907, at the Post Office at New York, N. Y., under the Act of Congress of March 3, 1879.

Vol. 8.

NEW YORK, MAY, 1914.

No. 9.

To the Officers and Members of Local Associations:

The officers of the National body are very anxious that all Local Associations devote their June meetings to discussion of, and raising funds for, the Education and Conservation movement in accordance with circular letters sent out and information published elsewhere in this issue.

The Education and Conservation movement is no longer a theory. It is, in very fact, a part of the bone and sinew of our splendid organization.

We have in reality reduced many, undoubtedly the largest, of the problems confronting the agent in Life Insurance to a practical educational and advertising basis.

That this campaign carries with it that which will actually accomplish a tremendous service to the policyholders should not be overlooked at this time.

The National Association of Life Underwriters has the reputation of doing things.

We are now committed to this great work, the best solution of which calls for our broadest consideration and most liberal co-operation in both effort and financial support.

Please, therefore, make your June meeting a red-letter day for yourselves, the National body and in behalf of humanity.

ERNEST J. CLARK,

President National Association of Life Underwriters.

WARREN M. HORNER,

Chairman Committee on Education and Conservation.

LOCAL ASSOCIATIONS REQUESTED TO DEVOTE JUNE MEETINGS TO EDUCATION AND CONSERVATION MOVEMENT.

NATIONAL COMMITTEE, THROUGH CHAIRMAN WARREN M. HORNER, SENDS OUT LITERATURE EXPLAINING DETAILS IN CONNECTION WITH MODIFIED PLANS APPROVED BY EXECUTIVE COMMITTEE OF NATIONAL ASSOCIATION.

Mr. Horner's Latest Utterance on the Subject as Delivered Before Several Local Associations in the Middle West. Review of the Propaganda from its Inception Shows Great Progress Made.

With regard to the announcement of the Committee on Education and Conservation, appearing on the front page of this number, following will be found the text of two circular letters recently sent out by Warren M. Horner, chairman of the committee. The letters in question require little comment; they are practically self-explanatory. While intended for members of the National Executive Committee and subscribers to the fund, they clearly elucidate the present plans of the committee as approved at the recent meeting of the latter committee, and members of local associations now have an opportunity to acquaint themselves with the present status of the matter before the subject is discussed at the June meetings of their respective associations.

The first letter reads:

Minneapolis, Minn., April 30, 1914.

To Members of the Executive Committee,

National Association of Life Underwriters:

"A preliminary circular was sent you announcing the mailing of the prospectus to aid in raising funds for the education and conservation movement, in accordance with the action of the Executive Committee in adopting the report of the Education and Conservation Committee as endorsed by the Executive Council in the recent mid-year meeting of the Executive Committee in New York.

President Clark has directed (he used the word "direct") that each member of the Executive Committee assume the responsibility for prompt and favorable action in regard to the important work of the national body.

Local Campaigns.

"So many associations desired to promote their own local campaigns, or at least have the disposition of the major portion of the funds collected, that the present plan of each association retaining 75 per cent. of the funds raised and sending the remaining 25 per cent. to the National Association was decided upon as the most practical, workable plan.

"This is especially true because the uniformity, or institutional idea, of the campaign is retained by the National Association having the institutional advertisements or human interest stories written in accordance with the prospectus as sent you, copies of these advertisements to be sent in duplicate to each association.

"This present action is entirely in accord with recommendations of the committee over a year ago in its circular letter to the companies as to the method of blanketing the country, with the exception that the local papers and mediums selected, and the publication of educational matter other than the institutional advertisements is left to the local associations.

"It should be clearly understood by the local associations that the 25 per cent. going to the national body is in no sense a gratuitous offering. An enormous saving to the local associations is effected by one preparation of copy being utilized by eighty-six associations. The further advantage to each association is gained by this copy in its completed form being the result of the work of the best copy-writer obtainable, edited and re-edited by the officers and Executive Council of the National Association, including the members of the committee. Never forgetting the fact that we in this manner avoid the scattering effect of the conglomerate, and harness the real latent forces in the life insurance by uniformity.

"Furthermore, the idea should be driven home that the National Association does not use the 25 per cent. turned over to it just in preparing copy. Some of this money is absolutely essential in the educational work of the committee which, through the able support and leadership of President Clark, has gone forward with such growing effectiveness, the present year.

"In addition, it is the purpose to publish the institutional advertisements in national mediums, including probably the *Saturday Evening Post*, one review publication and one general publication, together with a woman's magazine, or magazines, and a national farm publication, as funds will permit and the Executive Council later decides.

"The committee feels, and its judgment is endorsed by President Clark and the Executive Council, that too much stress cannot be laid upon the educational value of this entire campaign in maintaining uniformity throughout the country."

Note Mr. Clark's own statement in a letter to W. D. Mead, president of the Puget Sound association, in response to an inquiry and referring to the recent action in New York:

The Final Basis.

"We boiled the proposition down to a final basis, and it was unanimously approved by the Council and Executive Committee. The kernel of it was the establishing of the most perfect co-operation possible between the National Education and Conservation Committee and the local committees in the respective associations; 75 per cent. of the subscriptions from local associations, to be used by the associations in a local application of the institutional advertising program, and 25 per cent. to be contributed for the use of the national committee in employing specialists for the writing of institutional advertising copy, and furnishing the same to all local associations for such use as dictated by their peculiar needs and requirements, and for such additional advertising in national mediums as the funds in question may permit."

"We are not, however, attempting to control action of local associations with respect to the expenditure of the 75 per cent. in any campaign they may inaugurate, or matter they may publish as more directly bearing upon their local conditions."

"We do now know that in the preparation of the institutional copy which will be sent them as outlined in the prospectus, and in the purely educational work of the National Association, and in publication in national mediums of institutional copy, the local associations and each individual member thereof will obtain value received over and over again for the 25 per cent. turned over to the National Association.

"The committee finds in a number of instances that, notwithstanding the widespread comment which has been given out from the committee and in other quarters, a great many are unfamiliar with the real scope and purpose of the work. The suggestion is made that any members of local associations who desire additional information should write to Secretary Ensign for copies of LIFE ASSOCIATION NEWS which have contained editorials, resolutions and addresses with respect to the work, or obtain a copy of *Rough Notes* of Nov. 27, 1913, which contains, in an illuminated issue, a full history of this movement, or to the chairman of this committee, in Minneapolis for printed pamphlets in relation to the work.

"This circular is addressed to the members of the executive committee because of the familiarity of those members who attended the meeting in New York with just what is proposed. This is no affront to either the presidents and secretaries of the local associations or members of the local education and conservation committees, who are also mailed copies, all of whom we hope, in fact know, will put their shoulders to the wheel and see that there is no further delay in this great work.

"The work of the education and conservation movement has now reached such a state of advancement that every agent, general and special, over the United States who refuses to give his mite is going to be in the unenviable position of obtaining something for nothing, and, in fact, a great deal for nothing. And if he does contribute he is going to get the most for his five, ten, fifteen, twenty, twenty-five, fifty, one hundred or five hundred dollars that he ever received in his life as a business investment. This entirely aside from the enormous service to be rendered the insuring public and their dependents by this nation-wide campaign of education.

Basis of Contributions.

"The basis of contribution should be five cents (5c.) per thousand for each agent, general agent, manager or special agent. General agents should give on the basis of their entire production, because such duplication will not swell the fund to too great proportions. Salaried managers can give on the basis of personal production and get their men to come in and later obtain additional allowances direct from their companies for the National Association funds.

"We presume everyone understands that the trade-mark will accompany the advertisements as published locally or in national mediums and is to be used as a button or on cards and stationery, as may be deemed advisable by those contributing, to identify them with the movement. This method does not detract from the institutional or educative nature of the copy, but cannot help being of great value to any alert agent.

"Respectfully submitted,

"WARREN M. HORNER, Chairman,

"Education and Conservation Committee.

"Approved and action recommended.

"ERNEST J. CLARK, President,

"National Association of Life Underwriters."

The second letter is as follows:

"The enclosed circular letter to the members of the executive committee of the National Association of Life Underwriters in regard to the recent action of the executive committee in New York is self-explanatory.

Old Subscriptions Canceled.

"This action, as you will see, automatically cancels your subscription as directly payable to the National Association. But it is earnestly hoped and expected that you will reaffirm your pledge through your local association and immediately upon receipt of this communication get in touch with your executive committee member, who has in his possession the prospectus, which we know will interest you, and use your influence and co-operation—which we have appreciated so much—in obtaining general co-operation of your association members.

"Those who remitted cash will receive their money back from the National Association treasury just as soon as the funds are available, about which there will probably be some slight delay because of the lamentable death of Mr. Dale.

"The committee feels justified in requesting (and we know that is the desire and hope of everyone in attendance at the recent meeting in New York, almost to a man) that you individually give us your most earnest co-operation and support, even to the extent of visiting personally those in your locality, to bring about prompt and general support of the education and conservation movement at this time.

"We believe that the greater public trust and public understanding and resultant better service to policyholders and agents which will be engendered by this movement will produce results in enhancing the condition of one field of endeavor never before experienced in the history of human institutions.

The necessity of a country-wide campaign of institutional advertising is so apparent and the benefits which will accrue from it are so many, that in order to do full justice to the propaganda, we append the salient features of Mr. Horner's latest utterance. The excerpts are from an address he recently delivered before several of the Middle West associations.

"Rufus M. Potts, Superintendent of Insurance of the State of Illinois, is credited with this statement:

"It became a necessity for him to have insurance, next in importance to religion. He emphasized the special need of insurance education in the schools. The reason for the present imperfect insurance conditions was chiefly a lack of public knowledge of insurance fundamentals, and a consequent failure to appreciate its sphere and service."

"We will all agree, I think, with Mr. Potts, that next to religion and the air we breathe and the food we eat, life insurance is the most important thing in the world to-day.

"It is self-evident that insurance education in the schools and higher institutions of learning is a crying need. We know that he has stated a fact in declaring that imperfect insurance conditions are the result of the lack of public knowledge of insurance fundamentals and a due appreciation of its sphere and service.

A Fact; Not a Theory.

"Commissioner Potts stated a fact, not a theory. There is a lack of understanding of insurance fundamentals and there is a consequent failure to appreciate its sphere and service. Insurance education in the public schools will take care of the younger generation, but we are dealing with the adult population and not-school children, **only as a future consideration.**

"A careful reading of the resolution as adopted by the National Association at Memphis in 1912, and comment centering round that resolution, will disclose the fact that the education and conservation movement contemplates more than education in the schools and higher institutions. That it contemplates more than an institutional advertisement widely published over the country to educate the men and women who are chiefly concerned in the present day operations. That it contemplates the correction of the evil of loans on policies.

"It does now, and has from the start, contemplated the ideas of conservation of health, conservation of insurance written, conservation of the policy-holders' interests through helping to solve the problems of taxation and legislation, and standardization through better education and training of agents, and the inculcating of higher purposes throughout the entire field representation as embraced in the National Association of Life Underwriters.

Establishment of a Bureau.

"In holding tenaciously to the idea of an institutional campaign of education and conservation through the establishment of a bureau which shall have in charge the many things enumerated, including the publication of an institutional advertisement, and in the direction of other matters to grow out of the establishment of such a bureau, I am not just interested in a hobby, or endeavoring to place laurel wreaths about the brows of this committee.

"The contentions for a united campaign as a ground work are supported by the history of all world movements in Government and business, and by religion itself.

"In other words, the real advance of the Christian religion was the visualizing of a universal being in one God, and as might be added, intensified by the coming of Christ.

"The Government of the United States, in the centralized authority at Washington and in its blanket control of its whole people with the State and local government, is another good illustration. Without this centralized control, confusion would result.

"The life insurance business, which in reality means a human agency engaged in the conservation of human life, in this present day of enlightenment, and in its own advancement to

enormous proportions, is absolutely misunderstood by 90 per cent. of the people, and only partially understood by the remaining 10 per cent.

"There is an unnatural and unnecessary aloofness toward the business and the agent by the public at large. It requires a superhuman effort to bring into the ranks of the business a young man of proper business and social caste—a college graduate or otherwise—who is at the threshold of his business life.

"The business, as exemplified by the companies and their field forces, has been notoriously conspicuous for its lack of any common plane of endeavor. The companies have never yet come together in any considerable numbers as working unitedly for any constructive measure.

Of Equal Interest to All.

"We believe that the things proposed by the education and conservation movement are of equal interest to all companies and all agents. That an enormous service will be rendered the policy-holders and the business by this unified campaign of enlightenment. That for a small fraction of what companies are spending in useless literature and in advertising and similar campaigns of their own, a hundred times more good can be accomplished. That it will make more profitable and efficacious company advertising, or local or individual campaigns.

"One company this year in publishing its annual statement, spent approximately \$20,000.

"I submit the statement to any advertising expert for correction, that a double page ad in the *Saturday Evening Post*, costing \$11,000, a human interest story about life insurance, would have done that company more good than that for which it paid \$20,000. It would have served equally well all companies, and what is better, would have rendered an untold service to the insuring public.

"Much good has already accrued to the life insurance business as a result of the education and conservation movement in more intensified attention to education and in greater publicity through giving human interest matter to the press, and through some local campaigns, all of which serve a purpose, and some of which have been very successful.

"For the reasons stated, I would be glad to have those who desire to institute local campaigns abide the launching of the national institutional advertisement. In this way, you will not only have the assistance of the interest aroused and advantages gained by the national campaign, but the bureau of the National Association will greatly aid and help unify each local campaign; never, of course, interfering with the things in a local campaign, which must bear a local aspect.

Opposed to Names of Agents or Companies.

"I am unalterably opposed to any local or unified campaign where the names of companies or agents are used. Consult any advertising expert, whose judgment can be relied upon, and you will never do this.

"Have your national campaign and your local campaign, if you wish, but keep them both institutional, non-partisan and educative, and when you want to advertise your company or yourself, do it straight from the shoulder as a partisan proposition."

In view of the wide-spread interest in the education and conservation movement, we shall endeavor to give chronologically a brief review of the development of the germ idea. The necessity of a unified campaign upon the part of the entire insurance fraternity was not entirely new to Mr. Horner, as he had been enabled to rather accurately determine the state of the public mind in regard to reading insurance matter of human interest, through publishing in the *Bellman*, of Minneapolis, human interest advertisements to promote the advancement of his own agency. These advertisements were so prolific with actual results, that in an address before the Chicago association, on August 30, 1911, he made the following declaration:

There is grave necessity for companies to come together, and managers as well, in a spirit of compromise and get-together policy upon the question of ethics as applied to

life insurance. I believe the National Association should, in fact, it is imperative that it does, construct a platform along these lines, and give wide publicity to its action in both the public and insurance press, as well as through a campaign of well conducted publicity upon the part of its members through advertisements, literature and personal touch with the laymen. There is grave responsibility upon the shoulders of the officers and agency members of our standard legal reserve companies in the demand for them to come together upon some common plane of understanding in the things mentioned and in the necessity for a unified idea on the question of control of life insurance and incorporation of new companies.

At the Chicago convention, which occurred two months later, he was convinced that notwithstanding the fine purposes of the National Association, it had one weak point standing out in bold relief, and that was an inherent weakness from the whole institution of legal reserve life insurance—the lack of any systematic and adequate campaign of educating the public. Therefore, it was largely through Mr. Horner's efforts that the convention adopted the following resolution, which resolution marks the point where the National Association began to realize the importance of a non-partisan advertising campaign.

Action at Chicago Convention.

RESOLVED, That the National Association of Life Underwriters endorse the movement for conservation of health, and all that makes for favorable life insurance publicity and larger social service from life insurance companies and their representative to policy-holders and the public at large; and that each member of the Life Underwriters' Association do all in his personal power to forward these movements.

From the Chicago convention on to the present day, the idea has been expanding. Indeed, in but a brief time it developed from its embryonic stage into a full-fledged propaganda with a definite purpose in view. Said Mr. Horner on June 18, 1912, in Philadelphia:

It is up to the National Association to take the initiative in starting a bureau (I believe it should be a part of that organization) for the proper and thorough dissemination of information and progressive ideas of life insurance to the people of this country. This movement should originate and be conducted by the agents who know the needs, but in co-operation with the companies who should supply the funds.

The bureau to be a publicity, advertising and conservation campaign merged in one organization.

A bureau of this character could and should embrace both the conservation of health and conservation of insurance written. The companies would obtain greater results at less outlay than by separate action.

And again in Pittsburgh on March 2 of the same year, he said, in part:

Public in Receptive Mood.

From personal talks and correspondence with publishers and editorial writers, I am satisfied that they, like the public, are in a receptive mood toward all matters in relation to life insurance.

It is undoubtedly true that their co-operation will not come entirely gratuitously. This does not mean that we need to buy editorial space, but it does mean that companies and managers of agencies must indulge in more advertising. My own view is that a reasonable amount of money can be spent in this direction which in actual and collateral results will be enormously beneficial to the business.

This is a subject which calls for unity of purpose and unity of action to bring about unity of accomplishment. It was at the Memphis convention in October, 1912, that the National Association adopted the following resolution: *Whereas*, The institution of life insurance, as conducted by our standard American companies, occupies a com-

manding position in comparison with all world movements in its economic and beneficent relation to humanity, and

Whereas, The comparative newness of the system and its rapid growth have prevented a proper understanding of the importance of the business both in its relation to the public and as a vocation, and

Whereas, The companies and managing agents deserve unusual credit for building a structure of such enduring qualities that plays so great a part in equalizing business conditions and in its amelioration of mankind, but higher standards can be reached in the employment of agents and in the methods used in field work, and

Whereas, The business calls for the highest type of manhood and salesmanship in field work, and

Whereas, There are agents in certain localities who indulge in practices which detract from the high ideals of life insurance, and

Whereas, The public is equally culpable with the irresponsible agent from a moral and legal standpoint in soliciting rebates as well as in not co-operating with these agents who are exercising integrity and efficiency in their endeavor to render better service, and

Whereas, There are unlimited opportunities for standardizing the business by adopting new and scientific methods, and

Whereas, The business of life insurance needs the service of, and offers untold opportunities for young men of high ethical standards and ability, and

Whereas, Business and corporation life insurance has become well established and the amount of life insurance written by the standard companies is only about 15 per cent of the amount that could be written, and

Whereas, This association has repeatedly reiterated its stand as unalterably opposed to rebates, twisting of policies and agents and given wide publicity to the fact that any agent is not worthy of confidence of the business public, nor ethically fit to be considered a representative life insurance agent who indulges in any of these practices or who preys in any way upon a competitor and does not secure business by self-inaugurated plans of work. Therefore, be it

RESOLVED, That the president of this association appoint a committee of five with power to confer with like committees of any other insurance bodies, to devise ways and means for greater publicity in life insurance, for some non-partisan campaign of advertising and conservation, and for a concerted movement to inaugurate a campaign of education through lectures or addresses and through general adoption of educational opportunities for the younger generation.

RESOLVED, That the adoption of this resolution carry with it the power to act on any plan approved by the executive council of this association whether in conjunction with such other bodies or an independent movement inaugurated by this association.

Definite Plans Evolved.

At a specially called meeting of the Executive Council of the National Association on November 9, 1912, the Committee on Education and Conservation reported to the effect that among other things "The committee has made definite plans to promote the campaign of non-partisan advertising and the establishment of life insurance educational facilities and for co-operation with similar committees for local associations and other insurance bodies."

Mr. Horner, as chairman of the committee, again addressed the Chicago association on November 21, 1912, and in February, 1913, a letter was sent out to the companies, which read in part as follows:

The committee believes from its investigation that the campaign proposed is advisable, because: (1) It will educate the public as to the benefits of life insurance; (2) it will give them valuable information in the matter of se-

lection of policies; (3) it will cure to a large extent the unnatural and unnecessary aloofness upon the part of the public toward life insurance and the life insurance agent; (4) it will give the public valuable information in regard to taxation and insurance laws; (5) it will aid materially in the matters of (a) conservation of insurance written, and (b) in the conservation of health; (6) it will result in better service all along the line to the public, the companies, and the agents, and result in raising the standard of the whole agency system; (7) when this campaign is thoroughly launched the agents will find it twice as easy to sell insurance; (8) it will make dollars spent for partisan advertising bring far greater returns; and finally, (9) it will result in a permanent bureau of great and lasting benefit to the whole institution of legal reserve insurance, and (10) this bureau can become a part or adjunct of the president's association or a bureau separate from any other body.

We believe it is advisable to spend \$100,000 in the year 1913. Five cents (5c) per thousand on the basis of the paid-for business written in the year 1912 will supply the desired amount.

The companies can easily save the small amount required from their present advertising and printing bills.

Word "Publicity" Discarded.

At the mid-year meeting of the Executive Committee of the National Association in April, 1913, the work of the Education and Conservation Committee was endorsed, and while it was further recommended that the word "publicity" be discarded, it was also decided to continue using the expression "non-partisan."

The Pacific Coast was by no means neglected, for Mr. Horner delivered an exhaustive address on the possibilities of the movement on June 2, 1913, before the Pacific Northwest Insurance Congress. That great progress had been made in the interim was made evident at the Atlantic City convention, held September 16, 17 and 18, 1913. In connection with definite plans for the raising of funds, the committee, through its chairman, Mr. Horner, made the following statements:

Is education in life insurance necessary? Is an intelligent use of printer's ink imperative? Do you want to combine all these things in a spirit of common brotherhood, or shall we continue to tear at each other's throats and let other world movements stand by and jeer at our ox-cart methods, and the people remain in ignorance of the true functions of sound life insurance?

What It Is Worth.

If you are an agent writing \$200,000 a year, is it not worth \$10 a year to you? If you are writing \$300,000, is it not worth \$15 a year to you, and if you are writing \$400,000, is it not worth \$20, and if you are writing \$500,000, is it not worth \$25? If you are the head of an agency organization and you are writing \$1,000,000, is it not worth \$50 a year to you, and if you are writing \$2,000,000, is it not worth \$100 a year, and if you are writing \$5,000,000, is it not worth \$250, and if you are writing \$10,000,000, is it not worth \$500 to you?

Much work has been done and lines well laid to carry this plan of general education in life insurance and institutional advertising in life insurance to a practical and successful fruition. You and other insurance men over the United States are given the opportunity to come together in a spirit of common brotherhood in rendering an enormous service to your fellowmen and, coincident with this service to humanity, you are given the opportunity to increase your incomes and raise the great profession in which you are engaged to its true position in the world's work.

At the meeting of the Executive Council on October 6, 1913, at Pittsburgh, a special report of the Committee on Education and Conservation was unanimously endorsed. The recommendations of this report were that the committee be

authorized to proceed under the control of the Executive Council to have a textbook written, to be used in the campaign of education, and that it also be authorized to arrange definite programs in various institutions of learning. The fourth, fifth and sixth paragraphs of this report are too important to permit of a summary. They are therefore quoted:

4th. That both the matter of education and the publishing of an institutional advertisement involving a series of human interest articles of fact and interest to the people, together with the raising of funds for the same be conducted entirely for the present by the National Association of Life Underwriters, and that there be no scattering by local subsidiary campaigns other than in co-operation with the national body, other than such individual campaigns as may be deemed advisable by local associations as independent of and separate from the national campaign.

5th. The committee further recommended the early publication of four or six of the institutional advertisements, one of which is to be upon the subject of taxation at as early a date as is in keeping with due business procedure. This recommendation is made with great earnestness on the part of your committee because it believes that such action will properly visualize the efficacy of the whole proposition of the practical value to the people and the business of life insurance of publishing these human interest articles. Arrangements have been made to have these articles prepared without cost to this association. The committee is strongly imbued with the fact that the companies who have not been in favor of this proposition and the agents who do not understand it will by the publication of these additional articles have photographed upon their mind exactly what the education and conservation movement through the institutional advertisements intends and will accomplish.

6th. Finally, the committee recommends that a partial call for funds be made through the local associations for the contribution of managers only to defray the expenses of this initial campaign. That the companies who have already given pledges and all other companies be given to understand that the National Association invites their contributions and co-operation in behalf of this great work, but that a general campaign for raising funds be deferred until such time as the real merit of the idea be established and photographed upon the minds by this initial campaign. The committee is satisfied that the first call will bring sufficient funds from the managers over the United States to defray the expenses of what is contemplated in the recommendations for the present. No individual, even those who are the most earnest in the support of the work of conservation and education and the most sanguine of the scope of the movement for the future can properly visualize the value to the public and the business of these institutional advertisements until they have seen them in print, and unless they can be so written upon the subject of taxation, loans, surrenders, income insurance, old age insurance and business or corporation life insurance and covering the broad economics of life insurance they will not be published at all. This recommendation of visualizing the idea by publishing some of the articles in advance is not alone the earnest judgment of the committee, but is predicated upon the very best advice of shrewd advertisers who can have no possible interest in this campaign directly or indirectly.

When the committee was appointed at Memphis, its members were Edward A. Woods, Pittsburgh; Jules Girardin, Chicago; Hon. T. C. Thompson, Chattanooga; Louis L. Hopkins, New York City, and Warren M. Horner, Minneapolis; Mr. Horner being chairman. Owing to the fact that Mr. Thompson was Mayor of Chattanooga, and could not well afford to give the necessary time to the committee, Hubert H. Ward, of Portland, Ore., a former president of the National Association was named in his place at the Atlantic City convention.

THE FIELD AND THE AGENT.

Great Possibilities and Opportunities for Field Representatives, Especially for College Men Who Are Willing to Assume the Increasing Responsibilities of the Business.

This article is the text of a lecture delivered on May 12, 1914, by National President Ernest J. Clark before the University of Cincinnati. While intended for college men, it contains a wealth of interesting facts and statistics. The new agent will be encouraged by reviewing the opportunities for field work as cited by Mr. Clark.—Editor's Note.

If I am correctly informed, this evening's lecture constitutes the tenth of a course on life insurance which you have had the opportunity of attending since September 3, 1913. I can assure you that it gives to me much pleasure to be able to participate in this course of instruction for your benefit, covering as it does the primary essentials regarding the great institution of life insurance, its principles, conditions and benefits, so far as a course of lectures so necessarily limited in number will permit.

The subject for the evening is:

"The Field and the Agent."

- (1) Possibilities of the Field.
- (2) Increasing Responsibilities of the Agent.
- (3) Demand for College Men.

As I have not had the pleasure of hearing the nine preceding lectures, and even though they were on different subjects than that assigned to me, yet owing to the natural interdependent relationship between those questions pertaining to the field and the agent and the subjects previously discussed I may find it necessary to trespass occasionally on the subject matter which might appear to belong more properly to former discussions.

Possibilities of the Field.

In considering the first sub-division of this question, namely "Possibilities of the Field," let us take a brief view of what the agent has already accomplished in the life insurance field thereby placing us in better position to consider future possibilities.

The institution of life insurance as it exists to-day is comparatively new, having had its entire growth in this country during the past seventy years. There was, it is true, some slight insurance activity prior to the above date, but so limited in extent as not to be worth mentioning. We may consider therefore, that progressive American life insurance had its beginning in 1843. In 1870 there were 71 companies, in 1903 there were 112, in 1910 there were 181 and on December 31, 1913, there were 239 legal reserve companies reporting to the various State Insurance departments, with admitted assets of \$4,814,224,987; 37,804,432 policies in force, aggregating \$1,114,678,546, and distributed over 25,000,000 lives. The annual income of these companies in 1913 was \$976,562,592, and they paid out during the year \$479,866,556 in death claims, matured endowments, dividends and surrender values.

Who made all this wonderful record possible? *The agent*, not the officer or medical director. When you pause to consider the real meaning of all this to the social and economic life of the United States you cannot but be impressed with the most profound respect for this great institution of life insurance and the dignity with which the profession of life insurance is clothed. Such have been not only the possibilities of the past, but these are some of the actual results fully realized.

Notwithstanding the magnitude of these figures and the valuable services already extended to 25,000,000 policy-holders in this country by the life insurance agents of the United States, which can never be calculated in dollars and cents, life insurance has been undergoing many changes during the past twenty years especially, a process of rapid evolution if you please, with the result that it stands to-day as the reatest bulwark against adversity caused through the ravages of death and financial reverses ever conceived by the mind of man—shorn of those objectionable features at one time criticized, and controlled in the field by an agency force which is dominated by lofty ideals and a consciousness that the life of the agent is essentially one of service.

Individual Life Values.

You have doubtless had explained to you in former lectures the scientific relationship of life insurance to the life value of the individual. There is nothing so valuable to a state or the Nation as the life values of its citizens, and as all these life values must ultimately be destroyed by death, it is only through the medium of life insurance in its varying forms that the family can be saved the irreparable loss which must sooner or later be caused by death of the one on whom the wife, children and possibly an important business enterprise are dependent.

Our American people carry more than twice as much life insurance as all the rest of the world combined. We have the best insurance companies, the highest grade agency force and no profession or business has ever attained such remarkable growth and usefulness in the same space of time, and yet our \$21,114,678,546 of legal reserve life insurance covers less than 7 per cent. of the life values of our insurable risks in this country, which are estimated at \$350,000,000,000. Think of it, gentlemen, that notwithstanding all that has been done in the building of this great institution, there should be sevenfold and one-half times as much insurance in force in order to adequately cover the insurable life values in the United States, all of which will be destroyed within the next seventy years.

Fire insurance covers a possible contingency only, and yet 2 per cent. of the combustible property of the United States is insured against destruction by fire, whereas the most important of all classified values is protected against the positive and ultimate destruction by death to the extent of but 7 per cent. Could there be a more unlimited field of activity for young men standing on the threshold of a future professional life, as many of you gentlemen are at the present time?

No Abatement in Growth.

There is no evidence of any abatement in the growth of life insurance. On the contrary, its field of operations is constantly broadening, for so long as life is uncertain and valued and men have families they love, business to protect and old age to provide for, life insurance must have an ever increasing field of activity, especially in view of the constant increase in population and the wealth of the country and the increasing familiarity with the principles and necessities of life insurance in its varying forms by the insuring public.

Again life insurance has a distinct advantage over the professions of law and medicine, as so long a course of special training behind college walls is not required; there is no outlay for books, instruments, renting of offices, purchasing of supplies, and then waiting possibly for years before a lucrative clientele can be developed in accordance with the ethics of professionalism which must, according to the recognized custom, regulate the establishing of a legal or medical practice. If at all fitted and prepared for the profession of life insurance, the agent, because of his ability to pursue both actively and aggressively his work in the field, will be able to make a fair income during the first year of his work and increasing experience and clientage, combined with his renewal commissions, will give to him a rapidly increasing income, which should be most substantial before the young theological, medical or law student is even ready to begin his professional work.

The income of the life insurance agent, other than industrial, has been found, according to statistics, to be superior on the average to that of other professions, notwithstanding the less amount of expenditure in both time and money in securing his professional training. There is no calling in which the familiar maxim that "There is always room at the top" applies with greater force than that of life insurance, for well-trained, capable and experienced men are to-day in greater demand by home offices and general agencies, than any other class of specialists in the world, and such men, if aggressive, self-reliant and courageous, must of necessity go to the top.

The life insurance agent of to-day is undoubtedly the most independent of all professional men. He is not tied down to an office or bound by red-tape; he is the master of his own movements, and as stated by a certain author, "playing when he pleases and working when he chooses, but he must choose to work if he expects to succeed."

Expert Opinions.

The following opinions with respect to the possibilities of the field are quoted from some of the most successful insurance men in this country, and I wish to commend most heartily these opinions to all young men who contemplate entering life insurance as their life's work.

"There is no profession in which it is possible for a man without capital to achieve such financial success as in life insurance; in no other occupation can a man without any resources other than brains, training, energy and industry secure so great a pecuniary reward for his labor, in addition to rendering the highest possible service to his fellow men, next to that covered by the ministry of the gospel. The possibilities of this profession to an agent are limited only by his willingness to work.

Another prominent insurance man says: "There are now more opportunities to attain financial success in life insurance than in any of the other professions. The latter are very crowded, many attorneys are without clients, many physicians are without patients, and most clergymen are struggling along on starvation wages. The lawyer or doctor has to put up his sign and then sit down and wait for something to turn up. In life insurance the agent can go out and turn something up."

"There is nothing humdrum about the work; it has all the charm of variety, from day to day. 'So many men, so many opinions,' and each man must be handled differently from his neighbor; so the life insurance agent who follows his work in the best way and with the highest aim, comes in time to be a diplomat as well as a man of bright mentality and keen judgment. He grows to be very much alive. He has to be!"

The Increasing Responsibilities.

Now, as to the "Increasing Responsibilities of the Agent": Once classed as purely a business, life insurance has during recent years been acquiring those elements both in its conduct at our home offices and the educational requirements, training, ethical standards and character of service rendered by its field men, which make it unquestionably one of the leading professions. The word "profession" is defined by the Century dictionary as: "A vocation in which a professional knowledge of science or learning is used by its practical application to affairs of others, either in advising, guiding or teaching them, or in serving their interests of welfare in the practice of an art founded on it. The word implies professed attainments in special knowledge as distinguished from mere skill."

The above definition is a perfect description of the present and future work of the trained and educated life insurance agent. He has necessarily become an insurance advisor or counselor in all that the term implies—one whom any prospective insurer or policy-holder many consult with perfect confidence of receiving intelligent and conscientious advice and service. The agent should at all times so regard it, appreciating the responsibilities that devolve upon him as an insurance counselor first and a scientific salesman second, never permitting for one moment his pecuniary interest in the transac-

tion to influence his advice or service rendered. Remember, gentlemen, that next to the work of the minister the life insurance agent deals with the most serious and important question in all the world, namely death, endeavoring so far as it lies within his power to alleviate poverty and distress which usually following in consequence, with all that poverty means in its affect on disease, vice, illiteracy and even crime.

Improvvidence of American Men.

Let us consider for a few moments the question of improvidence which exists on the part of our American men right here in the greatest civilized nation on earth, and the absolute demand, in consequence, for billions of addition life insurance. Eighty-five men out of every 100, at death, leave no income producing estate. This average is shown conclusively by the following statistics:—From January 1, 1901, to December 31, 1905, out of 27,011 registered adult deaths, according to the records of the Surrogate Courts of the United States, 23,051, or 85.3 per cent. of the deceased left no estate. Thirty-five per cent. of all widows were left in absolute want and 90 per cent. of the widows lacked the common comforts of life. There are approximately 3,100,000 widows in the United States, 1,000,000 of whom are over 65 years of age. Of this latter number 900,000 are now dependent on the generosity of relatives, charity or the State. In addition to this appalling situation, think of the millions of fatherless and orphan children, whose intellectual, moral and physical natures have been dwarfed through poverty, in consequence of the death of a father who neglected, through procrastination, indifference or ignorance (they all amount to the same thing), to make provision for them against his death. Perchance he was a daily contributor toward the \$1,750,000,000 spent during the year in the United States for alcoholic drinks, or toward the \$520,000,000 per annum spent in this country for tobacco, or he may have even been the purchaser of an automobile, yet could not afford to protect his dependent, helpless wife and children with life insurance. Only three men out of 100, at death, leave an estate of \$10,000 or over, and as a further evidence of this universal and nation-wide improvidence, there are 5,000,000 women in the United States compelled to work for a livelihood.

The above facts clearly indicate the increasing responsibilities of the agent.

The greatest need in life insurance to-day is for field men of brains, ambition and energy. From what source can we secure them and where do we find the highest development of these essential qualifications? We naturally turn to the American college or university. The future successful life insurance agent will not only possess the advantage of a high school training, but the mental discipline and the technical and scientific knowledge that the higher education of colleges and universities afford. A high school course does not go far enough in the development of mental power.

Educational Methods.

In view of these already established facts, combined with the crying need for a better educated public concerning the fundamental principles, necessities and benefits of life insurance, the National Association of Life Underwriters is now directing a large share of its energies in a nation-wide educational campaign, one branch of which is to establish proper courses of instruction in the leading colleges and universities of the United States and Canada. Life insurance as a special and separate course originated with Harvard College in 1897, and to-day it is a subject of special courses in more than fifty colleges and universities. In the Wharton School of Finance, University of Pennsylvania, where life insurance has been taught for the past nine years, there are 126 students attending this year's courses and 86 students in the evening department of the school, making a total of 212. Of the 86 men who are taking the evening course, a large number are now connected with various life insurance companies.

To be a mere salesman of life insurance does not meet the demand—the ability to put a certain volume of life insurance on the books of a company as though it were so much mer-

chandise, does not spell success; but the ability to “advise, guide and serve the interests or welfare” of the applicant or policy-holder in the selection of the proper form and amount of insurance adjusted to the particular needs or requirements of himself, his family or his business, constitutes successful life underwriting. Not only may a form of policy best suited to one man be entirely unsuited to another, but different forms of contract are often required by the same man for different purposes at different times of his life and in different conditions of his family relationship or business affairs. It must not be left to the applicant to know what policy or policies will best serve his needs any more than the client in need of legal services should prescribe the formal of legal advice to be given him by his attorney, or the patient should dictate to his physician the course of medical treatment which should be administered. New and important branches of life insurance have opened up in which special knowledge and training are required on the part of the agent: Income insurance, providing fixed income for wives and children, payable during their lives in monthly, quarterly, semi-annual or annual instalments; corporation or business insurance to protect corporations or partnerships against the death of valuable members, maintaining an equilibrium of commercial credit, retiring stock, discharging outstanding liabilities made restive by death, or adjusting the interest of deceased partners; group insurance; home purchase and mortgage insurance.

The Idea of Service.

An agent's service to his policy-holder does not end with the writing and placing of the policy—on the contrary, he should keep in touch with the insured and be ever ready to give proper and necessary attention to securing a prompt renewal of premiums if there should develop any tendency toward slowness in payment, or lapsation. Changes in the policy may be required to meet subsequently changed conditions in the family or business of the insured. Assignments and changes of beneficiary may be required; loans against the policy requested, but to be discouraged wherever possible, and additional insurance to be placed from time to time as the circumstances and requirements of the insured permit.

The man who twenty-five years ago, after making a failure in other lines, entered the “life insurance business,” as it was then universally regarded, and of course made a more signal failure with quicker results than in his previous occupation, no longer haunts our life insurance offices, for he knows there is neither place nor opportunity for him.

Thus, I have endeavored to give to you gentlemen a brief outline of this most important subject, and trust that it may open up to you an avenue for further investigations which will ultimately lead to some of your number entering this high calling and devoting your lives to a work which means so much in the alleviation of poverty and distress and the general uplift of the social and economic life of the nation.

Life insurance not only includes the interests of the public from a commercial and financial point of view, but it affects the moral and intellectual advancement of the race. The student of political economy of the twentieth century is wanting in acumen if he fails to include life insurance as one of the greatest factors in the prosperity and happiness, the welfare and still greater advancement in civilization of all the people. It is difficult to estimate the full effects on the moral and intellectual condition of the people resulting from the benefits of life insurance. Few fully appreciate how many women and children are saved by it from the toils and temptations and oftentimes degradation of unexpected poverty. Thousands and thousands of husbands and fathers have been made braver and more hopeful, thousands of wives and mothers have been made happier and more contented because of the knowledge that the strong arms of life insurance were around and about them, comforting and encouraging and strengthening them in performing the manifold duties of their everyday lives.—Isaac Miller Hamilton.

IMPORTANT QUESTIONS DISCUSSED AT MID-YEAR MEETING OF EXECUTIVE COMMITTEE.

Modified Plans of Committee on Education and Conservation Assure Success of Movement—Booklet to Be Published on Taxation Problem—Cincinnati Convention to Be Held September 15, 16, and 17.

With Chairman Hugh M. Willet presiding and with 46 members in attendance, the Mid-Year Meeting of the Executive Committee was held on April 21, at the Hotel Astor, New York. The morning session was promptly called to order at 10.30 and Charles W. Orr was elected secretary pro tem. in the absence of Secretary Frank D. Buser. National President Ernest J. Clark spoke of the results accomplished since the Atlantic City convention, making special reference to the concessions which had been obtained in the income tax measure and the tariff bill. According to the figures which he presented, the membership of the National Association was 5,120. Three new associations had applied for membership, as follows:

Lansing (Mich.) Association.
Kalamazoo (Mich.) Association.
Salina (Kan.) Association.

Other associations had been organized or were in process of organization, but had not as yet applied for membership in the national body. These organizations are located at Madison, Wis.; Atlantic City, N. J.; Missoula, Mont.; Milwaukee, Wis.; Western Kentucky, Dayton, O.; Peoria, Ill., and San Diego, Cal.

Non-Resident Membership.

The report of the corresponding secretary was read by Secretary Pro. Tem. Orr. Among other things, this report brought forth the fact that a number of local associations had taken advantage of the non-resident membership amendment to the constitution, and that, with incomplete returns, it had been ascertained that there were 343 non-resident members of local associations, with the Oklahoma association heading the list with 67 members in this class, the Capital District association following with 29, and the third place held by Chicago, with 26 members. The increase in the total membership was approximately 40 per cent., not including the New Mexico association. This report also called attention to the death of I. Layton Register, president of the National Association during the years of 1900 and 1901. Special mention was made of the activities of the Texas association, which at the present time has been organized but one year.

Death of Hervey S. Dale.

Announcement was made of the death of Hervey S. Dale, who had been elected treasurer of the National Association at the Atlantic City convention. The report of the late treasurer was read by Robert F. Palmer, the executive committee-man from the Chicago association. It developed that the financial condition of the National Association was exceedingly satisfactory, the cash balance on hand being greater than ever before at any time prior to the receipt of annual dues.

President Clark, as chairman of the committee on speakers, reported progress and declared that the staff of speakers at the Cincinnati convention would undoubtedly be the strongest which had ever addressed any annual convention.

Charles W. Orr, chairman of the committee on finance, stated that his committee was working out a plan to assist in the prompt remittance of annual dues from local associations. The committee also was interested in increasing the revenues of LIFE ASSOCIATION NEWS and it was contemplating some work in connection with this idea.

John Dolph, chairman of the committee on law and legislation, took an optimistic view of the legislative situation, saying in part:

It is refreshing to be able to report that the activities in legislative work detrimental to our interests has been

very much minimized. This statement is not made by way of encouragement, because, as a matter of fact, the number of legislatures in session during the past winter is very much less than during the preceding year. There is, however, much reason for encouragement because of the improved organization of our forces and the greater co-operation of all life insurance interests. We believe we should take advantage of this opportunity to congratulate our good president and his co-workers on present organization conditions. In addition, we would urge our members everywhere to increase the strength of their organizations and to take advantage of every possible opportunity to co-operate.

Our brethren in Maryland have much reason to be exercised about a movement that was inaugurated to materially increase the tax on life insurance premiums. It was fully expected that such a bill would be introduced. After considerable organized missionary work on the part of the Baltimore association and others interested, on behalf of the policyholders, the bill, for reasons which you can guess, did not reach the legislative hopper. We hope to be able to present a leaf out of the book of experience of the Baltimore association at the annual convention in Cincinnati.

Kentucky Law Against Rebating.

Mr. Dolph also discussed a bill passed by the Kentucky Legislature affecting rebating, which provides that if sufficient evidence be obtained by the commissioner to show a prima facie case of the violation of the statute, he is not only empowered to employ his own examiners, as well as other persons, to enforce compliance with the law, but he is also given free access to all the books and papers of any insurance company or its agents, and may summon and examine witnesses under oath. "Evidently," said Mr. Dolph, "our friends in Kentucky mean business, because they have provided a penalty for refusal to appear and testify when required of a \$1,000 fine or a year in jail."

In the absence of Hubert H. Ward, chairman of the committee on topics, H. H. Kohn, a member of that committee, read a communication from Mr. Ward in which a number of topics were presented. The report was received and at the afternoon session it was decided to leave the selection of five-minute topics to President Clark.

The Committee on Prize Essays, J. C. Drewry, chairman, the Credential Committee, E. B. Ranshousen, chairman, and the Transportation Committee, with Millard W. Mack, chairman, all reported progress in their respective duties.

Report of Press Committee.

The report of the Press Committee by Chairman Charles W. Scovel was then called for. Mr. Scovel stated that the Press Committee concurred in the opinion of President Clark that the time had come for the National Association, as well as local associations, to begin a systematic, persistent campaign to secure greater publicity for news items and reading matter arising largely out of the meetings of local associations and other activities in the fields of education and conservation, with the object of spreading among the people the essential truths of life insurance in its broad, institutional aspects. He told of the publication of a history of the association movement under his direction which was intended to assist in the educational propaganda. Fifteen hundred copies of the booklet were printed, but, said Mr. Scovel, no further steps had been taken, for the reason that in planning for the actual work it became evident even before the initial pamphlet was received from the printer that the committees were not rightly organized to act effectively. "There is a multiplicity of committees," said he, "both national and local with confusion both in the name and function, that would inevitably produce further confusion, first, in the task of getting the right men at work in each association and, second, in the impression made upon the newspapermen and others we

seek to reach. For an effective campaign all publicity matters need to be concentrated in the hands of one central committee operating through a single committee in each locality. And that central body should be the education and conservation committee, which might, perhaps, be given the comprehensive and more explicit title of education and publicity committees.

J. Henry Johnson, chairman of the Membership Committee, dwelt upon the best methods of increasing the membership of the local bodies. It was his opinion that the best results are obtained by small local membership committees. He also suggested that where new men are entering the business of life insurance the managers could very well afford to pay the first year's dues of such men in order to have them properly started, and that he believed that this would prove of more assistance to agents and a greater benefit to the profession than the same amount of money invested in any other way.

Stimulating Convention Attendance.

The report of the Convention Attendance Committee was delivered by its chairman, Herbert R. Lewis, of Rochester. Mr. Lewis referred to the Rochester-Atlantic City Convention Club, where 38 members signed the agreement, with the result that over 30 members were present at the convention. Mr. Lewis presented 100 copies of the original agreement printed and ready for distribution among the members.

As to the work of the Committee on Taxation, Chairman Edward A. Woods reported that he had prepared a circular asking life insurance companies and local associations for co-operation along the lines suggested by the Atlantic City resolution. Copies of this circular letter were sent to 251 life insurance companies and 85 local associations. Replies promising co-operation were received from 45 of the companies and the remaining 206 companies did not even reply to the letter, which was signed personally by all three members of the committee. Of the 85 local associations to whom the circular was sent, 50 appointed committees on taxation and eight other associations have promised to appoint a taxation committee. A large number of the local bodies have held meetings devoted to the subject of taxation and Mr. Woods personally appeared and addressed several of them. In concluding his report Mr. Woods said in part:

Owing to the co-operation of association members, great publicity has been given to the subject in the newspapers wherever these meetings have been held and in many cases persons prominent in official positions have attended.

Your committee is preparing a circular (which is badly needed) to suggest objections to the present taxation method, draft of which is presented herewith.

Many associations have offered to hold meetings, but require a speaker thoroughly familiar with the subject. If even life insurance men are not sufficiently familiar with the evils of insurance taxation to discuss it, it certainly shows the need of an upstirring and agitation of the subject.

Taxation Booklet.

Much interest was manifested in Mr. Woods' report and at the suggestion of several delegates, Chairman Willet requested him to read the text of the booklet he had prepared on taxation. Mr. Woods complied with the request and it was then moved that the booklet be approved for publication by the National Association without further revision.

Following this came the report of the Publication Committee by Chas. Jerome Edwards. The figures given with regard to the financial condition of LIFE ASSOCIATION NEWS were the subject of much favorable comment. Notwithstanding a general tendency on the part of companies to retrench on their advertising appropriations, the NEWS had made substantial progress since the Atlantic City convention and the Atlantic City Convention Proceedings had been published and distributed at a satisfactory profit.

The afternoon session was called to order at 2.30 and the

reports of the Speakers' Committee, Finance Committee, Law and Legislation Committee, Membership Committee and Credential Committee were approved and placed on file.

The report of the Cincinnati association with regard to pre-convention arrangements, by Millard W. Mack, was then taken up and it was resolved that the recommendations of the Cincinnati association be accepted and approved; that the convention proper should be held on the 15th, 16th and 17th of September, and that a meeting of the Executive Council and meeting of the Executive Committee should be held on the 14th of September. The details of future arrangements for the convention will be matters of consideration for the officers of the National Association and members of the General Convention Committee of the Cincinnati association. On motion, it was resolved that official headquarters at Cincinnati for the officers and executive committee be referred to the officers of the National Association.

Work of Executive Council.

President Clark delivered a report on the work of the Executive Council during the past seven months. He outlined the work accomplished at four meetings of that body, one in Pittsburgh, Oct. 6, another meeting in Philadelphia on Nov. 17, with a third gathering in Philadelphia on Dec. 17 and a conference in New York on April 20. Mr. Clark gave particular attention to the details in connection with the arrangements made for publishing a text-book on life insurance. In connection with this phase of association activities Mr. Clark read the following letter from Dr. S. S. Huebner, of the Wharton School of Finance and Commerce of the University of Pennsylvania, who has been employed as editor-in-chief of the text-book.

I beg to acknowledge receipt of your letter of April 13, asking for a statement relative to (1) the scope of the text-book to be prepared under the auspices of the National Association of Life Underwriters and (2) the progress of the volume and my plans regarding its preparation. With reference to your inquiry, I beg to submit the following:

Outline of Text Book.

The volume, which will comprise 30 chapters and which, according to the arrangements with the publisher, shall not exceed 500 pages, will be divided into four distinct parts. Part I will deal with the nature and uses of life insurance and its chapters will treat exhaustively the economic concept of life insurance, its family uses, its business uses, and the meaning of the leading types of contracts used, together with a detailed explanation of the advantages and possible shortcomings connected with each. This portion of the volume should be written in such a manner as to adapt the book not merely to the use of the layman, but also for use as a text in colleges and high schools.

Part II will deal with the scientific aspects of life insurance and will present the essential considerations connected with factors and assumptions underlying rate making, mortality tables, ascertainment of the net premium for the most important types of contracts, loading the reserve, surrender values, policy loans and the surplus. Having in mind the layman and the student, this part of the volume will be made as non-mathematical in character as possible. Only simple mathematics will be used to make clear the scientific foundation that underlies correct life insurance principles.

Part III will be devoted to a discussion of (1) special forms of life insurance, viz.: fraternal, industrial, group and total disability insurance, and (2) the subjects of home office and agency organization and managements, life insurance investments, taxation of life insurance companies, and government regulation of the business. The subjects just enumerated are largely unrelated in character and therefore have been grouped into a separate part of the volume.

Part IV will furnish a classified statement of the essential legal principles governing life insurance in which the policyholders and agents are most interested. Chief emphasis will be placed on the law relating to the beneficiary, assignment of policies and insurable interest. I may add that the purpose of the volume throughout, as determined at a previous conference, shall be to furnish a statement of the essential facts, principles and practices as they exist in connection with the foregoing subjects, and that opinions and argumentative matter shall be excluded.

According to our arrangement, the manuscript is to be completed by the beginning of next March and, as I explained to you, I can begin active work at the end of May, when my school work closes for the season. I also explained to you that Dr. Bruce D. Mudgett, instructor in insurance at the University of Pennsylvania, will prepare four of the chapters, three of which will deal with the computation of the net premium and one with the total disability clause, and that Ralph Blanchard, also a member of the teaching staff in insurance at the university, will prepare the chapter on group insurance. The material for three chapters has already been collected and the preparation of the manuscript will begin in the course of a few weeks. These chapters will be prepared under my supervision, and the authors, I may add, have for some time been interested in making a special study of the subjects referred to.

As regards the remaining chapters of the volume, a considerable number, especially those relating to the uses of life insurance, loading and the surplus, have not thus far been extensively treated, and such information as exists is scattered and fragmentary in character. Thus far I have endeavored to collect, through correspondents and the perusal of journals, the information necessary for the preparation of the chapters and hope to have the information classified by the close of May.

Prize Essay Topic.

The Prize Essay Committee recommended that the topic be "The Influence of Woman on Life Insurance." After a discussion it was finally resolved that the subject be "Woman's Interest and Influence in Life Insurance."

The Committee on Education and Conservation reported through its chairman, Warren M. Horner. The committee had prepared a prospectus giving a full review of the institutional advertising campaign and displaying some of the actual copy, subject to the final editing of the executive council and executive committee. With regard to delay in contributions to the fund as outlined at the Atlantic City convention and the subsequent meetings of the Executive Council, the committee attributed the condition to the apathy and neglect consequent to reply by mail for any money raising campaign, and the fact that a great many associations preferred to supervise the spending of the larger proportion of their own money. To quote from the report of the committee:

Education and Conservation.

The committee has met the first situation by the preparation of a prospectus to aid each local association in holding a meeting at which definite and comprehensive action may be taken in securing contributions from its entire membership, and has met the second objection by recommending that the local associations send only 25 per cent. of the money raised to the National Association, retaining the other 75 per cent. for advertising and other educational purposes in their own respective localities.

We believe that this will result in immediate action all over the United States and that within a comparatively short time there will be such publicity and resultant benefit to life insurance as has never before occurred in the history of business institutions. The committee most respectfully urges upon the executive committee and the entire membership of the National Association of Life

Underwriters the necessity of holding to the institutional idea in this great educational movement, and further suggests that this association, as an association, progresses only in direct proportion as it is able to harness and unify its potency with respect to the business for which it is organized.

The National Association of Life Underwriters has only grown and will only grow as it is able to harness and unify the many constructive problems confronting field work, service to the people and service to ourselves in the business of life insurance.

As stated before, the business in its lack of understanding by the public, in its own shortcomings and in the absence of unified effort is still in its ether stage, just as the electricity in the air and the power in the Falls of Niagara.

As we must harness the power in the Falls of Niagara to utilize it and harness the electricity in the air to command its forces, so must we harness by an institutional and unified campaign those great unconquered forces in the ether realm of life insurance, public trust, public understanding and business caste and efficiency.

Mr. Horner made an explanation of the proposed plan of adopting an emblem or trade-mark to identify underwriters who contributed to the fund raised by local associations. Following this there was a lengthy discussion on the question of obtaining publicity in newspapers through local associations, and J. W. Bishop, of the Chattanooga association, called attention to a department which his association had established in the *Chattanooga News*. At the conclusion of the discussion former National President Neil D. Sills introduced the following resolution, which was adopted:

Work of Committee Endorsed.

Resolved, That the executive committee endorse the work of the Education and Conservation Committee in preparing a comprehensive text-book by Dr. S. S. Huebner, of the University of Pennsylvania, and recommend that the committee intensify its campaign with respect to the educational work in bringing the attention of high schools and other institutions of learning to the preparation of this work.

We further endorse the action of the committee in preparing a comprehensive prospectus of the institutional advertising campaign and recommend that a copy of this prospectus be sent to each member of the executive committee, to the end that at a specially called meeting or at the next regular meeting each association may take immediate action in securing contributions from its entire membership.

That 75 per cent. of the funds so secured be retained by the local associations for their own local campaign and the balance to be turned over to the National Association to defray the cost of the educational work and to be used in the preparation of the institutional copy to be supplied to the local associations for publication in addition to such material or copy as each association may desire to publish as more directly bearing on its own local situation.

That the committee make such publication of the articles prepared in national mediums as funds secured will permit and as may be deemed advisable by the executive council. That a circular letter be addressed to the local associations under the direction of President Clark giving a comprehensive statement of what action is desired on the part of the local associations and setting forth the advisability of preparing the institutional copy both for national publication and republication by the local associations in order to institutionalize or unify the campaign over the country.

Chairman Willet then called for the resolution on the death of former Vice-President Samuel E. Barber, and the following resolution was introduced by a special committee consisting of Chas. Jerome Edwards, Percy V. Baldwin and Jules Girardin and was unanimously adopted:

The executive committee of the National Association of Life Underwriters regrets to record the death recently of a former vice-president, Samuel E. Barber, of Topeka, Kan., whose untimely death in the prime of his years and during his active work as a life insurance man has removed from our relations and from service to the public a man of ability, character and energy.

And we extend to the members of his family these expressions of our sincere sympathy and direct that a copy of this resolution be sent them.

A resolution was then called for on the death of former National President I. Layton Register, and Edward A. Woods volunteered to prepare a tribute.

On motion, it was resolved to send a telegram of sympathy to Secretary Frank D. Buser, who was unable to attend the meeting because of ill health.

H. Wibirt Spence Elected Treasurer.

In considering the formalities necessary in transferring the funds of the National Association to a new treasurer it was resolved that a communication be sent to the bank in Chicago which held the funds of the National Association, setting forth a certified copy of the constitution and by-laws of the National Association relative to action which may be taken in case of vacancy in office, together with a resolution electing a successor to the late Mr. Dale. This motion was unanimously carried and embraced the election of H. Wibirt Spence, of the Detroit association, as treasurer to fill the unexpired term.

A resolution of thanks was also extended to Byron C. Howes, who, since the illness of Mr. Dale had been transacting the financial work of the National Association under power of attorney.

Vice-President Edward A. Woods briefly discussed the income tax test case and read a proposed circular letter intended to be sent out by the National Association to local associations, also a letter from A. I. Vorys. After the matter had been thoroughly digested it was moved that the report be approved, but that no official action should be taken in the matter; that all negotiations in the matter of raising funds for a test case should be of an unofficial nature between Mr. Woods and the various associations.

J. Henry Johnson mentioned the fact that the St. Louis association would act upon 65 applications at a regular meeting of that association occurring the same evening and the corresponding secretary was instructed to send a telegram of congratulations to the president of the St. Louis body.

On motion of Neil D. Sills, it was unanimously resolved to accept with thanks the invitation of the Metropolitan Life Insurance Co. to a banquet in the evening of the same day.

J. K. Voshell, executive committeeman from the Baltimore association, spoke upon the work which the legislative committee of the Baltimore association had done during the season and stated that everything of an objectionable nature before the Legislature had been killed.

President Clark Urges Co-operation.

President Clark then urged the executive committeemen to recommend the appointment of permanent legislative committees to work in co-operation with the National Association; that taxation committees in local associations in States where there were several associations should work in perfect harmony; that the institutional advertising prospectus should be taken home and brought to the attention of local associations, and that all committeemen should work to stimulate a big attendance at the Cincinnati convention.

The following resolution was then presented on the death of Hervey S. Dale and unanimously approved:

The executive committee of the National Association of Life Underwriters in session at New York, April 20, 1914, places upon the records of the association its sense of deep regret that the Almighty Master has deemed it

wise to remove from earthly activity so true a man, so lovable a comrade and so efficient an official as Hervey S. Dale, treasurer of the association, and wishes further to express its appreciation of his capable and faithful services and to attest to his constant and unfailing adherence to the highest ethics and ideals of the life insurance profession.

Be it ordered that this expression be placed upon the minutes of the association and that a copy be forwarded to the family of our departed associate.

There being no further business before the committee on motion, it adjourned.

The Metropolitan Banquet.

Haley Fiske, vice-president of the Metropolitan, was host at a complimentary dinner given by his company, in the tower of the home office building. The affair which was, usual, delightfully informal, came as a thoroughly enjoyable climax to a strenuous day of accomplishment. At the conclusion of the dinner Mr. Fiske extended a welcome to the members of the executive committee, paying a high tribute to the work of the field men and the important relations which they bore in the work of community life. Mr. Fiske called attention to the invested assets in the companies represented, stating that the amount referred to was four billion of dollars, and that the fund was constantly increasing the yearly flow of premium income amounting to seven hundred millions of dollars. In considering the relation of the funds to the commercial life of the country, the speaker claimed that on them largely depended railroad construction, municipal and interurban transit facilities, development of electrical and power lighting plants, the erection of schools, houses and large business buildings.

Mr. Fiske also made mention of the good work which had been done by the Maryland association in checking a flood of unwise legislation. He also referred to the anti-taxation campaign of the National Association under the direction of Vice-President Edward A. Woods.

It so happened that the Metropolitan Life Glee Club was having in the assembly hall its annual private concert, and Mr. Fiske invited all to go to the assembly room for the second part of the program. National President Clark gracefully accepted the invitation and expressed on behalf of the executive committee its appreciation of the Metropolitan hospitality.

Hugh M. Willet expressed his sentiments with reference to President Hegeman, who was in Europe, and whose seventieth birthday had been recently celebrated. Mr. Willet asked the underwriters to authorize a message to Mr. Hegeman expressing birthday congratulations and good wishes, and the high esteem in which the Life Underwriters' Association held him. In response the entire gathering arose and cheered. The guests also signed one of the menu cards as a round robin of greeting to be forwarded to Mr. Hegeman.

The second half of the concert by the Glee Club proved to be a musical entertainment of a high degree of excellence and at its conclusion many of the guests accepted the invitation of Mr. Fiske to visit the tower.

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Repairs	Crockery, Furniture, Household Supplies	25c per Week
Wife	Clothing Pocket Money	
Children	Clothing Education	Two at \$50 Each
Personal	Clothing, Lunches, Tobacco Clubs, Fare, Sundries	
Doctors	Doctors, Dentists, Medicine	
CHARITY AND PRESENTS	Church Gifts	
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Vacation	2 Weeks, 4 Persons, Including R. R. Fare	10 Days, 3 Persons, Including R. R. fare
Total.....	\$5000	\$1488

Life Association News

A MONTHLY JOURNAL DEVOTED TO THE INTERESTS OF ALL
LIFE INSURANCE AGENTS.

PUBLISHED BY THE

NATIONAL ASSOCIATION OF LIFE UNDERWRITERS

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ARTICLE II OF THE CONSTITUTION.

"The object of this association shall be to advance the best interests of the cause of true life insurance."

Address all communications to

EVERETT M. ENSIGN, Editor and Manager.

Telephone, 4244 John.

LIFE ASSOCIATION NEWS, 56 Pine Street, New York City.

This newspaper is owned by the National Association of Life Underwriters, unincorporated, a voluntary association; Ernest J. Clark, president, Calvert Bldg., Baltimore, Md.; Frank D. Buser, secretary, 704 Commonwealth Bldg., Philadelphia, Pa.; Hervey S. Dale, treasurer, 7 W. Madison St., Chicago, Ill.

SUBSCRIPTION PRICE \$1.00 A YEAR IN ADVANCE.

THE MIRROR OF PUBLIC OPINION.

The members of the Syracuse association have Bobbie Burns and Winslow Russell to thank for a full-length reflection of themselves as seen in the mirror of public opinion. "Oh, wad some power," said Burns, "the giftie gie us to see oursel's as ithers see us." And Winslow Russell furnished the power in question in the simplest manner imaginable.

Prior to the recent annual dinner of the Syracuse association, Mr. Russell sent out a number of letters to representative merchants, manufacturers, bankers, lawyers and physicians in Syracuse, requesting answers to certain questions in relation to the activities of general agents, managers and solicitors. Space was provided in the survey blanks for suggestions as to the improvement of field conditions. An analysis of the answers received is not only a source of surprise, but a condition is revealed which is disconcerting in the extreme.

We cannot escape the conviction that the average life insurance agent is not a particular favorite of the educated men in Syracuse, and there is no reason why we should not consider the opinion of Syracuse business and professional men as typical throughout the country.

"Is the average life insurance agent welcome to call upon you?" This was one of the questions asked. Thirty-eight replied in the affirmative, while twenty responded in the negative. Another question was, "Have you a favorable impression of the manner in which life insurance is sold in your city?" Affirmative responses outnumbered opposite opinions; nevertheless there were many emphatic negatives. While one prominent manufacturer said that it was a pleasure to converse with a thoroughly competent solicitor, he declared that 75 per cent. of life insurance salesmen were not qualified to render intelligent service.

Among other points brought out by the survey was the tendency of agents to "knock" and misrepresent other companies, and a decided inclination to sell policies with regard to the largest commissions rather than with the purpose of serving the best interests of the prospect.

If public opinion is a fairly good guide—and the majority of intelligent people believe it to be—is it not imperative that we give serious consideration to this arraignment, which, though startling, is perhaps the most accurate thus far obtained? In view of the facts presented, facts obtained direct and at first hand, have we not been the victim of myopia in attributing in a large degree the difficulties of life insurance salesmanship to the apathy of the public, rather than to the erroneous impressions created by inexperienced, incompetent and dishonest salesmen?

There can be no doubt that a large percentage of

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the people of this country regard the life insurance solicitor as a nuisance, such opinion being based on nothing more substantial than a lack of knowledge of the institution of life insurance in its relation to the individual, the family and the nation. Not possessing confidence in the institution itself, there is no good reason why this class of people should possess confidence in its representatives. To meet the situation created by these people, and to educate them to an acceptance of the principles of legal reserve life insurance is the object of the proposed Institutional Advertising Campaign of the National Association. But we are not now discussing the people who do not know whereof they speak; rather let us give our attention to those who believe in the institution, but whose confidence has been shaken by the representative who misrepresents.

Such, evidently, were the men who responded to Mr. Russell's queries—lawyers, physicians, bankers, merchants and manufacturers. With these men, if the average holds good, there are 20 out of every 58, or over 30 per cent, with whom the life insurance agent is persona non grata. And to cap the climax, the reason for the attitude of these men is found in the agent, not in the institution. This, too, after the National Association, through its local bodies, has preached the gospel of clean ethics for a quarter of a century.

That the life insurance salesman is not welcome in the offices of 30 per cent. of the business and professional men of Syracuse, or for that matter in any other city, is not entirely due to the crude operations of the part-time man, as great an evil as he may be. A danger just as great is to be found in the full-time agent who is imbued with the very popular idea that no matter what he says or what he does, it is good business if he can "get away with it." With this man, "All's well that ends well," and any negotiations leading up to the placing of a policy ends well when he secures his commission, or even a portion of it. False and misleading statements, incomplete comparisons, rebating, and a score of other "neat" little tricks of the trade, enter and play their part, but these have no real ethical significance, except to assist in "getting away with it."

Almost invariably when a group of men get together one will hear the statement, "I don't know how he does it, but he gets away with it." Even men

whom we have supposed to be honest beyond possibility of doubt give a congratulatory slap on the shoulder to the fellow who "gets away with it." Dick Croker "got away with it," and condemnation is softly tempered with approbation in the public mind because, and simply because he "got away with it."

The solicitation of life insurance will never reach the professional level to which it is justly entitled until we get away from the "get away with it" attitude. Let us be honest with ourselves and frankly acknowledge that a high standard of professional ethics can never be so elastic as to stretch to the nefarious expediency of simply "getting away with it."

The burglar, the sneak-thief, and the political grafter, sleep with one eye open on their respective getaways; the gangsters and the crooks plan their back alley retreats days before the crime is committed. The life insurance solicitor who renders to his prospect the modern idea of service, by fitting the policy to the policyholder regardless of commissions, who tells the truth, "the whole truth and nothing but the truth," is the man who scorns a double standard of business honesty.

Let it be understood, however, that this is not an attempt to prove that the great army of life insurance salesmen is inclined, when opportunity presents itself, to make clandestine journeys from the straight and narrow path of business rectitude. Such is not the case; an overwhelming majority of agents are honest and trustworthy.

Our argument is against the Dr. Jekyll and Mr. Hyde of the business; the cowardly hypocrite of the double standard of business honor who filches from the legitimate life insurance agent his good name and who, by his actions, creates a suspicion in the public mind not entirely of himself in particular, but of all life insurance men in general.

We recently had a suit down in Louisville. A man was killed in a railroad wreck, and his family brought suit for \$10,000 damages. One of the first questions the lawyer representing the railroad asked of the widow and those who were bringing this suit was: "What did you value your husband's life at?" The widow said that was a thing she could not value. The lawyer on the other side objected, and the court sustained his objection. Then the first lawyer said, "Well, what did he value his life at? How much life insurance did he carry?" "Two thousand dollars was all." "Well, that is all he must have valued his own life at." That point carried well, and that is all they got out of that case. For if a man didn't value his own life, certainly the courts are not going to do so.—H. J. Powell, in *Northwestern Mutual Life's Field Notes*.

FIRST NEW ENGLAND CONGRESS OF LIFE UNDERWRITERS PROVES ROUSING SUCCESS.

All Sections of New England Represented, with Attendance Far in Excess of Anticipations—Brilliant Addresses on Practical Subjects Create Much Enthusiasm.

With 300 delegates in attendance and all sections of New England represented, the first New England Congress of Life Underwriters, held on April 27, at the Parker House in Boston, was a notable success. The crystal room, where the morning session was held, proved inadequate to accommodate the delegates, and it was found necessary to use the Annex Assembly for the afternoon session.

President Clarence C. Miller, of the Boston association, called the meeting to order at 11 o'clock. In his brief introductory remarks he said that in the same room in which the delegates were then assembled, 24 years ago the National Association was launched. There was an audible stir of enthusiasm at this point of the proceedings; for a score of ladies, representing the New England Women's Association, headed by Mrs. Florence E. Shal, entered the room. The ladies were greeted with much applause.

Greeted by Percy V. Baldwin.

Mr. Miller introduced Percy V. Baldwin, who is a member of the executive council of the National Association. Mr. Baldwin extended formal greetings to the visitors and welcomed them to "Boston's crooked streets and straight-laced ways." As a slogan for the congress he suggested the pact of "The Three Musketeers": "One for all, and all for one."

Henry S. Waldron, of Springfield, Mass., and a member of the Western Massachusetts association, discussed the purpose and value of the congress. He said that since the Atlantic City convention the membership of the National Association had increased from 3,600 to over 5,000. According to the statistics which he had obtained, there were 13,000 men and women in New England carrying rate books, and in view of this he pointed out what a powerful factor in the upbuilding of the National Association the New England Congress might be.

Securing and Developing Prospects.

"Securing and Developing Prospects" was the subject of a remarkably strong address by Franklin W. Ganse, vice-president of the Boston association. Mr. Ganse said in part:

"The securing of prospects is of course vital. The successful agent must either write a very large percentage of those whom he interviews, or he must have one or more good plans for adding good names to his list.

"One of the hardest things about our profession is that clients or prospects are fewest when they are most needed—at the outset of one's career. In this it resembles other professions, more or less learned.

"The general agent knows of a dozen classes of men of every community who for special reasons ought to be approached with a definite proposition at a definite time. He may not be able to supply each of his agents with the actual names. It is questionable whether it is best to do this in most agencies, while it has been done successfully in some notable agencies. But, speaking broadly, the work of digging out his own leads, upon lines which have proved successful, is the best first step in handling the names successfully. They become the agent's own from the start, and he cannot know too much about them—who they are, where they come from, and why they are all selected.

"If the new man at the business puts in one-third to one-half of his time working up a first-class preliminary list, until he has 10 or 15 names ahead for days or weeks to come, he is doing well, and nothing should give him greater assurance of success than the possession of such a stock of well-selected raw material. The men who have failed after intelligently working up and working out such a supply of names, would be hard to find. Most new men who fail get

into a vicious circle; because they have not secured the names of enough well-chosen prospects, they do not see enough men to strike an average; because of this, they get meager results; they become discouraged, not because they have not had good average results, but because they have never really carried out the one certain plan for success for a new man—to see a large number of likely people, with confidence of success. How many failures do you know who really did that?

Classes Enumerated.

"Some of the best classes of prospects are the following, in the order of their desirability, as I see it:

1. Those who in reply to letters or otherwise express a willingness to be interviewed.
2. Policyholders as indicated by their records.
3. Names furnished by recent applicants.
4. Parents of recent date.
5. Matrimonial prospects, both coming and going.
6. Changes of age.
7. Promotions and appointments.
8. Periodical salary increases.
9. Co-operative bank mortgages.
10. Purchasers of houses on terms.

"Important as it is to get prospects, it is more vital to lasting success to learn to develop them. This has several steps which too few of us follow to the end:

1. Start by securing enough well-selected prospects to keep busy—and do keep busy.
2. Develop, as a matter of course, as many as possible into applicants and policyholders.
3. Develop every policyholder into a client and a source of prospects.
4. Develop in every prospect, policyholder and client a real respect for our profession and a real knowledge of its fourfold service, which no other institution affords.

"It has been said that a profession involves "special knowledge applied to serving the welfare of others." We may well use the term "clients" of those whom we serve, because in the great American cause of "Thrift vs. Improvidence," in the outcome of which they are all vitally interested, we are advocates for the plaintiff and we are winning verdicts every day. The function of counsel, trained and confidential, is perhaps oftenest exercised.

Scope of Service.

"To return to the all-important undertaking of the all-round scope of our service to our generation; do we not emphasize one or two phases, instead of the whole thing?

1. Safety—few clients know that the great averaging of life insurance investments gives such safety as cannot elsewhere be approached.
2. Protection—this function we do not generally overlook, and we should not.
3. Secured Incomes—in forms which cannot elsewhere be furnished, an additional protection against the too prevalent misinvestment of family funds.

4. Self-chosen compulsion, the greatest aid for the much-needed American thrift. To induce a client to save money he would otherwise spend, to return it to him in his old age, if he needs it; and all the while to offer him with absolute safety protection for his family against his premature death—this is a service too few of our clients have been made to comprehend and most men knew themselves well enough to welcome the chains of such compulsion. In these days of possible war, let us not forget to fight a good fight for the protection of the families of these clients. Can we not apply to ourselves the words of Oliver Proudfoote's widow in "The Fair Maid of Perth," when she was asked whether she accepted Henry the Sixth as her champion in the trial by combat:

"I do, I do, most willingly, and may the blessing of God and St. John give him strength and fortune, since he strikes for the widow and fatherless."

Guy F. Wheeler, a prominent member of the Central Massa-

chusetts association, and secretary of the Provident Life & Trust agency in Worcester, spoke on "The Psychology of Salesmanship." The salient points in Mr. Wheeler's address follow:

The Psychology of Salesmanship.

"The topic that has been assigned me and upon which I speak recognizes that even the matter of salesmanship is a process which operates under law. This is a scientific age, animated interrogation points stalk abroad. A multiplication of laboratories invite students to original research along varying lines. The development of modern science has been mostly along material lines. The study of the operation of the mind made a beginning many years ago, but the prosecution of such a study has lain dormant until comparatively recent years. With the development of psychological education and the aid rendered by laboratory experiments a new interest had developed, in this most fascinating subject. Out of the crude efforts of the alchemist has grown the modern science of chemistry, bringing its untold blessings to mankind.

"From the kite sent into the clouds to bring down its current of electricity we have come to the numerous and wonderful application of this marvelous power until we flash our messages through intervening space. May we not expect that the crude and, in many instances, absurd theories which have been put forth in relation to the operation of the mind may yet have equally wonderful development. But with our present knowledge of the operation of the mind enough is known for us to make some practical uses of present information. When Senator Hoar furnished for the Worcester Court House the motto 'Obedience to Law Is Liberty' he annunciated a great principle that operates in all realms. As we come to know the laws of nature and render implicit obedience, the law which was a tyrant comes to be our servant and the lightning which the ancients knew only as destructive is one of the greatest servants of to-day. The more we appreciate the universality of law, the more readily will we recognize that every operation of the mind must be in obedience to great mental laws.

Apperception.

"First of all, I would like to call your attention to that mental action known to the psychologist as *apperception*.

"An idea to be appropriated must be apperceived. Perception may be to a degree passive, apperception is always active. It is the mind rising in response to the stimulus of a new thought and appropriating it, but the idea as it is received will be colored or shaped in accordance with the sum total of previous ideas.

"From our childhood we have been receiving mental impressions beginning with the most simple images and concepts, and these have been accumulating until we have what is termed the apperceptive mass. Because of this fact, no two of us see things just alike. In reviewing a landscape the artist sees a picture, the builder sees the timber in the trees, the engineer sees the power in yonder waterfall, the boy sees the butterfly flitting from flower to flower, although all stand viewing the same bit of country. Now this is true in relation to everything, whether it be material things or abstract truths, and the salesman must recognize this fact and draw out his prospect. By embracing every opportunity for acquaintance with him, he will order the presentation of his proposition with a view to the mental state of the man he solicits. This brings us to another principle which should engage his attention, namely, *the point of contact*.

"Every new thought is appropriated by the mind as it links on to some previous mental conception. We will secure the attention and develop the interest of a man only so far as we find the point in his plane of thought to which we may attach the thought we seek to impress. This point of contact will be found in the experimental life. The closer a thing lies to the plane of our experience the more easily we become interested in it, and our appreciation of the matter is

in proportion to its presentation in terms of our own daily life. An illustration drawn from a farm would fall flat when presented to the city born and bred, and nautical terms are meaningless to the landlubber who has never seen the sea. In taking advantage of this principle the salesman will find not only what enters into the life experience of his prospect, but also which of these experiences lies nearest to his heart. But, after all, the greatest power that moves men, and which we can use to the best advantage, is to be found located in the emotions. It may be pride, or acquisitiveness, or the love of home or children, but there is to be found somewhere in every man's daily experience a point of contact where the greatest power may be wielded; and the salesman, who is no student, while he may happen upon the right lines occasionally, cannot have the full degree of success that will be realized by the man who studies to take advantage of this great psychological fact.

Cumulative Impressions.

"Another principle which, rightly understood, cannot fail to encourage the insurance salesman is the power of *cumulative impressions*.

"Psychologists have sometimes termed this 'suggestion by repetition.' It is a fact that while the first impression may be slight, that subsequent impressions along the same line produce an ever-increasing effect. The nicety of the application of this principle consists in making an impression without irritating. To irritate a prospect is to repel him, but to wisely and tactfully repeat impressions previously made is to hasten the time when the preponderance of thought upon the proposition presented will overcome all objections.

"A final word along the line of *non-combattiveness*. It has sometimes been suggested that the matter of salesmanship is a contest between the wills of the salesman and the prospect. The salesman is urged by the power of his will to break down and overcome the will of the prospect.

"May this not be a mistaken attitude of mind? Let the contest be in the mind of the prospect between warring ideas, fears and desires, and let the salesman take his stand with the prospect and by a suggestion of lines of thought help the prospect's mind to the right conclusion. Let it be the prospect who goes in under the gentle and tactful leadership of the salesman, but never should the salesman antagonize the prospect. If the prospect is inclined to argue, give a sympathetic and kindly attention to all that he says, almost to the point of assent, and when he has used his ammunition and is tired out, gently draw him back to the consideration of what you have in hand.

"If we would influence men, our minds must meet theirs on the plane where they live, and time spent in finding their location will be richly rewarded."

Immediately following Mr. Wheeler's address, and prior to the buffet luncheon which was served during recess, National Vice-President Edward A. Woods informally discussed with a number of general agents the matter of raising funds to take up the income tax test case.

Taxation.

The first feature of the afternoon session was an address by Mr. Woods on "Life Insurance Taxation." Mr. Woods declared that the burden from taxation upon American policyholders is tremendous.

"Last year," said he, "it was over \$13,000,000. This amount would have purchased \$550,000,000 more of insurance; it would have added 14 per cent. more to the refunds of dividends returned to policyholders; it aggregated several times over all the executive salaries paid to all officers of all life insurance companies; it meant \$63 taken from every \$1,000 paid to the widow; and would have reduced the total cost of life insurance over 2 per cent. Further, the burden is increasing. In 1871 20 States levied no tax; now there is but one. In 1860 the tax was 70 cents on each \$100 of premiums; now it is \$2.26. In 1890 it was \$2,000,000; now over \$13,000,-

000, and this exclusive of the recent Federal burden put upon insurance by the last administration. It is curious that American States tax life insurance just about the amount that the German Government contributes toward compulsory insurance. In addition to the money cost, the attention of all the principal officers of companies every time legislatures generally meet must be diverted from constructive upbuilding of insurance or from effecting necessary economies to opposing exactions upon the policyholders in endeavoring to successfully oppose such parts of the 2,000 bills that were last year introduced to various legislatures affecting life insurance, most of them imposing additional burdens upon it; this alone being a very serious question."

He made particular reference to the fact that Massachusetts collected, in 1912, in insurance taxes, \$1,144,409; of which there was expended for the insurance department but \$72,825, leaving a profit to the State of \$1,071,584—a profit all made by taxing losses. Ninety-three per cent., therefore, of the taxes collected reverted to the State treasury and only 7 per cent. was expended for supervision, notwithstanding the efficient form of supervision that Massachusetts gives and always has given.

Charles W. Scovel on Income Insurance.

Charles W. Scovel was the last formal speaker at the afternoon session. Mr. Scovel is well known throughout the country as a former president of the National Association and an acknowledged expert on income insurance. His latest utterance on the subject is a remarkably able exposition. The address follows, practically in its entirety:

"Three generations from shirt sleeves to shirt sleeves."

"Only yesterday it was coined, this jibe at American speed in dissipating inherited money. To-day it has already lost its point. The fact has far outstripped the jibe. It takes nothing like three generations nowadays for the money to get away. The very moment a man dies, leaving insurance money or anything else that isn't nailed tight, the widow begins to be 'a shining mark for the mining shark.' Hundreds of millions of dollars every year are swallowed up by sharks of all kinds—to say nothing of all the other birds that so willingly lend riches their wings. Edward Atkinson, earnest student of living conditions, once studied this matter and gave his opinion that 'no less than 96 per cent. of insurance proceeds is dissipated before the end of four years.' Three generations? Three years is more like it—three years from wifehood to wash-tub!

"To remedy these sorry conditions, income insurance had to come. It has been slowly developing for two decades and within the last half dozen years has been perfecting rapidly. Insurance money need no longer be left as loose cash, the most losable and most spendable asset a man can leave. Just the contrary, income insurance money now stands out among all his assets as the very safest from loss or unwise spending, the very surest to carry on his care for dear ones to the very end of their after lives and even to grandchildren he will never see. Indeed, their income after his death will be far safer and surer than his own income while alive.

A Little Phrase, but Powerful.

"The little phrase 'payable monthly,' so recently put into the income policies, is the great big thing that is now changing the whole map of family protection. It is like Singer's shifting that tiny eye from the needle's tail to its head (where an eye ought to be, anyhow) and thus equipping the sewing machine to do its revolutionizing work in the world. The monthly payment idea made income insurance a really practical provision for livelihood needs. It applies the money just as the husband and father did himself—just as the wife and daughter has been used to handling it.

"This monthly money, coming in fixed amounts on a certain day, is actually worth more, dollar for dollar, than the same total coming irregularly and at longer intervals, as investment incomes usually do. The former means a cash basis, every dollar bringing full present value; steady com-

fort; peace of mind. The latter means a credit basis, with money spent before received; feast or famine; waste and worry.

"The rest of the world has been quick to apply the monthly income idea in all its latest pension and relief planning. The new laws for mothers' pensions or for workmen's compensations in many States—the more and more numerous plans of private corporations, churches and institutions—even Carnegie's Hero Fund and Uncle Sam's latest bill to pension soldiers' widows—all provide for income payable monthly. Lump sums or even quarterly incomes are no longer considered a fit provision for widows, children or old age. These various plans represent the expert judgment of social workers, actuaries, financiers and legislators after full investigation.

Small Incomes.

"How small an income it is worth while to provide, as being sufficient to keep the family unit unbroken and raise the children at home, is shown by the provisions made by law out of public funds. New Jersey, for example, allows \$9 a month to a mother with one child under 16, with \$5 more for a second, and \$4 for each other such child. The Federal bill that passed the House this month allows \$12 a month to the widow alone, with \$2 more for each child under 16. A mother with three children would receive \$18 a month under either scale. The Carnegie fund gives commonly sums varying from \$20 to \$50 a month. The plan recommended by a committee of the Protestant Episcopal Church to provide for the families of its clergy allows \$25 a month as the minimum for livelihood, and adds an increasing allowance for educating each child up to \$25 a month from 14 to 21 years. These families, of course, belong on a high social plane.

"Income insurance for the sums thus stamped by high authorities as sufficient for the purpose is well within reach of the great mass of family men able to carry policies of a face value from \$2,000 to \$5,000. A \$2,000 policy, for example, will yield \$170 of cash for funeral and other special expenses and then pay \$10 a month for 20 years at least and as much longer as the widow lives. A man under 40 years with a wife not much younger can make this provision for his own widow and child (more than New Jersey bestows) by setting aside between \$2.50 and \$5 a month. And with the same saving and under the same policy he is providing likewise for his own old age. The non-producing years of wife, child or self (whichever need the unknown future may bring forth) are all included in the scope of this financial program—to say nothing of his burial fund and his loan value for any emergency use along the way.

Illuminating Comparisons.

"Under this plan the income figures over 6½ per cent. on the lump sum of \$1,840 left with the company to provide it (and used up in so doing). That is half again as much as could be had from the class of sound investments proper for a widow's money. One dollar premium applied in this way yields about the same income as \$1.50 of premium applied for lump sum insurance, if that lump sum is safely invested. To yield such returns throughout the widow's life is made possible only by grace of the annuity principle—whereby the hazard of long survival is averaged among many annuitants, precisely as the opposite hazard of early death is averaged among many lives at risk. That is why only a life insurance company can make such returns. That is also why this particular plan best fits the great bulk of cases, those in which every premium dollar must yield the largest income it can.

"There is another plan that is particularly attractive to men of larger means, and which is also apt to be the best for any case where the beneficiary is so much younger than the insured as to make the special annuity premium too large. This plan does not use up the principal in instalments, nor call in an annuity to help out. It is a simple matter of investment and can only yield regular investment rates of income. But it does keep the principal intact among the company's assets, withdrawable any time and never below par. Thus it provides not only the monthly income, but also a cash fund that

can be drawn on for emergencies. Thus, also, it does not end with a single life, but will go on producing its income through the next generation and then pay the principal to a third generation now unborn.

"It enables a man to-day to rivet a livelihood to the lives of both wife and daughter, through a chain of monthly checks they cannot outlive and a principal they cannot lose—and then have that principal make sure that his own third generation will belong in the coat-sleeve class. All this might be done through a trust company, but not with the same guarantee of safety and precision, or the same prospect by the very best returns obtainable in changing future conditions or the same immunity from taxation, expense or trouble.

"These two fundamental plans can be combined and varied so as to fit the needs of any family, and with freedom of later readjustment to cover changed conditions, after-born children or grandchildren, etc. And these new income services can (in most companies) be applied to the proceeds of existing policies, though originally sold without any such provisions.

Looking Into the Future.

"These new services look far down the future. The policy into which a young man is putting money to-day may be still in force and paying monthly checks to his aged granddaughter a hundred years hence. That's a long time, and life insurance affords the only human machinery that can be set to run for a century or more with precision. You see, life insurance is, first of all, a science—the applied science of nature's mortality laws. For over two centuries its calculations have stood the test of experience. They are as sure as the calculations of astronomy.

"In both these sciences the personal equation, while it cannot be wholly avoided, is reduced to its lowest terms. And in life insurance all possible dangers through personal error are guarded against by 48 varieties of State laws and supervisions more rigid and exacting than are known in any other business. The other safeguard and guarantee of stability is that this business is peculiarly built upon broad averages in every direction.

"Life insurance investments get the strength and benefit of broad averages by three sorts of diversity: First, diversity of kind, including city and farm mortgages, and the widest variety of gilt-edge bonds. These two classes, with policy loans, include 90 per cent. of the assets. Second, diversity of space, by spreading these investments through all desirable parts of the land, with expert investment agents located in all sections. Third, diversity of time, each year's investments being added to the far greater bulk of securities obtained in past years, thus absorbing in the whole average the temporary fluctuations of market values and interest rates.

"Clearly, life insurance is the one institution of proven fitness to render this new service of lengthening the arm that each generation stretches out to help those who come after.

"The income service begins where the old policies left off. It does when the need begins and outlasts that need. It does for the family of the wage-earner or salaried man what no other machinery will do at all. For the rich man's family it does the vital part, the livelihood part, of the service he has sought through the trust company, and does it better.

"Lump sum life insurance is no longer the real thing in family protection. Monthly income insurance is that real thing. Its benefits endure. Its future development is beyond imagining. It will bind together in a steady progression the successive generations of mankind."

Local Arrangements.

President Miller and Secretary Leon F. Foss, of the Boston association, were responsible for the local arrangements in connection with the meeting and were the recipients of many warm congratulations. Every detail for the convenience of the delegates had been carefully planned. On motion of J. Everett Hicks, of the Boston association, a vote of

thanks was extended to several of the speakers, who had traveled a long distance, and President Miller was also extended a vote of thanks for the graceful and capable manner in which he had presided over the sessions.

The date and place for holding the next congress will be announced early next year. The idea is to make the organization as simple and informal as possible, and it is understood among the various associations that the president and secretary of each association shall be members ex-officio of an executive council or committee on arrangements. This committee will be called together after the first of next year by the president of the Boston association, and the selection of a place for holding the next congress and the program of topics to be discussed will be arranged for at that time.

A Cincinnati Convention Reminder.

With the Cincinnati convention but a few months distant, local associations throughout the country are beginning to appoint delegates and alternates. As announced elsewhere in this number, the convention will be held on the 15th, 16th and 17th of September, at Cincinnati. As a preliminary reminder, A. F. Sommer, president of the Cincinnati association, has sent out the following communication to the president of each association:

"Just a few months until summer weather will bid us to forget the cares of business and invite us to betake ourselves to sea shore, mountain or country for recreation and rest. It is at this time that we survey the field for a spot presenting the greatest allurements. When you consider this matter, may we suggest that this year the vacations of all life insurance men either begin or end in the month of September, and in the Queen City of the West on the banks of the beautiful Ohio.

"Here is where the life insurance brains of the field will then scintillate. Here is where a new allegiance to the cause of humanity will be pledged. Here is where, in life insurance and entertainment, history will be made. Here is where good fellowship with all the stars in the life insurance firmament awaits you and here is where you are met by true Southern hospitality.

"We ask all members of the Life Underwriters' Association to so arrange their summer vacation schedule that they will be brought to Cincinnati during the middle of September, where a real live body of good fellows will show you what they can provide of profit and pleasure.

"At your next meeting you will kindly read this letter to your association, and say that to each of your members this is a very cordial invitation to come to Cincinnati and attend the national convention."

"Falsus in Uno, Falsus in Omnibus."

The temptation among insurance agents to conceal or shade the truth when he fancies it would prove advantageous is great, but advantage so gained is not real—is not a business success, and in the end is destructive, living only in memory as a plague. The agent, in common with other men, who is false in one thing is false in all and any seeming success is false and not lasting.—*Preferred Pilot.*

Big Difference Between "I Wish" and "I Will."

Every man dreams big things. The successful man is one who makes his dreams come true. So many men fail because they sit and dream of big things they are going to do tomorrow. They say, "I wish." The successful man says, "I will," and gets up and goes to work. Few men achieve success by one big stroke. As a matter of fact, enduring success is made up of numberless small achievements. Every big thing is composed of many little things, and the man who wins is the man who tackles the job just ahead and completes that and goes on to the next.—*Old Line Life.*

THE DOME DWELLER

By Robert J. Mix, Manager Prudential Insurance Co., New York City



ONCE UPON A TIME there was a man who decided to be shut up under a great iron dome! People tried to make him see that that was a dreadfully foolish thing to do, but he wouldn't budge, so they built the dome, placed it over him, and there he stayed day in and day out, year in and year out! Everywhere outside his self-imposed prison, the birds were singing, the flowers were blooming, the sun was shining and people, who for the most part were pretty good sort of folks, were living their lives, and, on the whole, rather enjoying themselves, but **THIS CHAP INSISTED UPON REMAINING UNDER HIS DOME!** He practically wasn't **LIVING** at all—he was missing all the things that make life worth while!

"He was either a crazy man or a fool," you tell me, and so he was; but do you know, friends, I sometimes think **THAT YOU AND I ARE IN DANGER OF IMITATING THIS MAN!** We don't shut ourselves up under an iron dome, to be sure, but we **DO** unconsciously confine ourselves within limits which are all too narrow; the **BIG WORLD** is all around us—the **BLUE SKY** is the only limit above our heads, and we don't **REACH UP** and **STRETCH OURSELVES** and **EXPAND** as we have a right to do—as it is **EXPECTED** that we will do!

It's a safe bet that comparatively few men **EVER** wake up to the knowledge that **THEY'RE TRAVELING IN A VERY NARROW CIRCLE!** Take yourself, for instance: do you suppose that you're anything like as **BIG** a man as you have a **RIGHT** to be—as you surely **WILL** be if you let yourself out? Have you ever tried to **TAKE AN INVENTORY OF YOUR ABILITY**—have you ever made a deliberate attempt to **SEE WHAT SORT OF A MAN YOU COULD MAKE OF YOURSELF?** If you're doing that sort of thing, then you're **NOT** under a dome—you're a **GROWING** man and your **USEFULNESS IN THE WORLD** and your **EFFECTIVENESS** will just as surely increase as your **EFFORT** continues! Tell me, my friend, has a man a **Right** to go on merely **EXISTING?** Isn't it the **BOUNDEN DUTY** of every individual to **STRIVE CONTINUALLY**—to develop **EVERYONE OF HIS FACULTIES** and thereby grow in the vocation which he has chosen?

A long time ago, I told you that I was strongly of the opinion that the **MAJORITY OF LIFE INSURANCE AGENTS CLASSIFY THEMSELVES** in about this fashion: **THEY ARE \$1,000 A YEAR MEN, OR \$1,500 A YEAR MEN, OR \$2,000 A YEAR MEN, OR \$5,000, \$6,000, OR \$8,000 A YEAR MEN,** these figures representing about the limit of income which each man seems to feel that it is up to him to earn, instead of feeling that **THERE SHOULD BE NO LIMITS FIXED BY HIM TO HIS EARNING POWER—TO HIS EFFECTIVENESS AS A SALESMAN OF LIFE INSURANCE—the BEST "goods" ever sold by any living man!**

The foolish chap that I described at the beginning of this letter could have had that iron dome removed in a minute **IF HE HAD ONLY WILLED IT SO,** and the glorious truth about you and me is that **NO MAN CAN CONFINED US—THAT WE CAN GROW AND EXPAND AND BECOME BIGGER AND BETTER JUST IN PROPORTION TO OUR EFFORTS!**

I repeat, my friends—this tendency to **RESTRICT OURSELVES—to GROW NARROW—TO BE LITTLE WHEN WE MIGHT JUST AS WELL BE BIG—is natural to pretty nearly everyone of us—it's a tendency that we've got to RESIST—we've got to pinch ourselves every little while and WAKE UP—WAKE UP AND TAKE AN INVENTORY OF OURSELVES—find out whether we're GROWING and SPREADING—and if we find after an HONEST inventory that there's a DOME over us, for Heaven's sake, LET'S GET OUT FROM UNDER!** This means **YOU** and it means **ME** and it means **PRETTY NEARLY EVERY OTHER FELLOW!**

DON'T—DON'T—DON'T LET'S BE DOME-DWELLERS—LET'S GET BUSY—LET'S BE LOTS BIGGER WRITERS OF LIFE INSURANCE!

SIZING UP THE PROSPECTIVE AGENT.

Those Impelled to Come; Those Compelled to Come, and a Few Expelled Who Come.

By Theodore A. Waltrip, Assistant Manager, Pacific Mutual Life Insurance Company, Los Angeles, Cal.

The most interesting study of mankind is man, particularly so if that man aspires to be an agent of a life insurance company. One cannot spend many months in the office of a general agent without meeting all types of men. They come from all the walks of life, from factory, shop, store, office, railroad and ranch. They come from various motives and with varied ambitions. Some are impelled to come, some are compelled to come and a few are "expelled" who come.

It is the purpose of this article to indicate some of the things which general agents usually note, not that it will be helpful to general agents, but rather that it may aid some field men to see themselves as others see them, and thus assist them in correcting any detrimental habits they may have.

Dress.—Naturally the first thing that meets the general agent's eye is the man's clothes, their color, fit, age and general hang. It does not take long to determine how long a man has worn his coat, or how many weeks since his trousers were pressed, or his shoes shined, or his hat cleaned. A glance at the collar, tie, shirt-front and jewelry displayed all help to make a certain impression that is inseparably connected with the man's personality. True, "clothes do not make the man," but they do make an impression on the general agent as to what kind of a man is inside of them.

Posture.—The general agent who is a close observer and a student of human nature looks, of course, beyond the dress at the real man. He watches his gait, his posture. He observes him as he walks away and derives another impression from his step, his bearing, his composure. But while he is in the office these are the points he is noticing: the color of his hair and how he combs it, just how much he has to comb, the color of his eyes and how he uses them, whether he looks him straight in the face or keeps edging away on side glances, the shape of his face, forehead, chin, and whether he has used the razor since the last setting of the sun. He will take particular notice also of his teeth. There is no one thing that will impress the general agent more than the man's breath. If he possess not a sweet breath it is unfortunate for him, the whole agency and the insuring public with whom he must come in close personal contact. I am not referring to the man who has the odor of liquor or onions on him, but to the man whose stomach is sour or whose teeth are decayed, or who is an incurable dyspeptic.

Speech.—The foregoing have to do with the physical man and his dress and not the real man. We must get inside the "man's soul case." A man's speech will often betray him. His grammar, his diction, his tone, his gestures, all tell what kind of a man he is.

If he endeavors to monopolize the conversation, tells the general agent how much business he has written for another company and how much he can write for this in the next six months, providing a considerable advance and a big commission are allowed, the general agent has already formed his opinion of the man. His continued egotistical flow and gushing, gullible stories won't go down. It is much easier for a man to talk himself out of a job than it is to talk himself into one.

Character.—What is the man's character? That is the vital question that should concern and does concern the general agent. Is this man honest, truthful, sincere, energetic, ambitious, optimistic, zealous? Does he want work and is he willing to work? Will he stand square and play fair? Will he seek to serve the interest of the company and the insured? Is this man trying to deceive in any way? Is he Dr. Jekyll or Mr. Hyde? If he is attempting to deceive the general agent he will likely deceive the general public. The sooner, therefore, we know the real character of the man

the better for the company. Some of the foregoing are little way marks on the road to character reading. There is one more source of information.

References.—A noted physician said to me recently: "After all, the most a physician knows about a man's infirmities is what the man honestly tells about himself." The references are supposed to give the man's reputation. But when the would-be agent begins to apologize and hesitate and over-look and evade the questions asked and give references that are fictitious names, that, too, helps the general agent to form his opinion, and it often counts for more than the letters that come in from the actual names submitted. The man whom the general agent most likes to see come in is the well dressed, neat, unassuming, erect, virile, positive, affable man who is willing to advise, not him, but with him, take the contract printed and go to work.

Four Little Devils.

There are four little devils that haunt every salesman.

The first is on the job bright and early; jumps on your shoulders and whispers: "No use trying to see your man before 9.30—give him time to open his mail." And if you waiver for an instant he straightway devours the front end of your precious morning.

The second little devil gets into the game at midday. "It is now a quarter to twelve," he adroitly suggests; "if you see a man now he will be hungry and will hustle you out so as not to be late for lunch." If you agree to this and knock off for lunch yourself he will tell you that "You won't see your man before 2 o'clock. He won't be back from lunch."

Early in the afternoon the third little devil appears and will whisper, "It's getting dark; you can't start an interview when your man will be tired and inattentive." And before you know it, this third imp will gobble up the other end of your day.

The fourth little devil is perhaps the worst of all. His day is Saturday. "You can't do anything on Saturday," he will say; "it's a short day, and no one will have time to listen." And so without even allowing you to start out, will swallow up the whole day.

If you don't watch out, these four little devils will steal every hour of all your days.

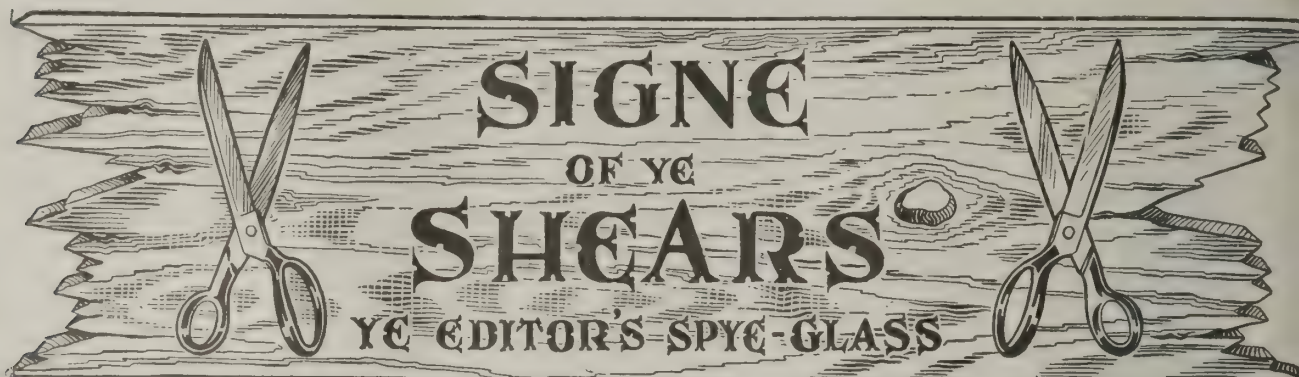
But they're liars—every one.—*Equitable Agency Items.*

Lending a Hand.

Life underwriters' associations have been of so much real good to the life insurance business that their value to it does not admit of discussion. They have aided in the eradication of some evils, have toned up the business and have materially improved its personnel. They have, in short, materially improved life underwriting conditions. We were led to these thoughts by the statement of an agent who said that he had withdrawn from his local association because it was of no especial value to him. That is a very selfish and wrong way in which to look at the matter. Anything which helps the business generally is a benefit to the individual agent and he owes it to himself and his fellow agents to "lend a hand" in the good work. The larger the membership of any association the greater its moral force, and instead of remaining on the outside and criticizing, every agent should become enrolled as a member and so make the association more efficient. If the organization is not just what he would like it to be, why not join it and help to increase its efficiency? The associations need the agents and the agents need the associations. As Rudyard Kipling says:

"The strength of the pack is the wolf,
And the strength of the wolf is the pack."

—*The Indicator.*



"The Paper Association."

Inspired perhaps by the phenomenal success of a certain life insurance company domiciled in New York City, in selling life insurance without solicitors, a New York agent has conceived the brilliant idea of organizing a new Life Underwriters' Association, to be managed and conducted through the mails.

The absurdity of the proposition serves as the only excuse for a recital of its purpose and plans. We do honestly confess, however, that there are certain facts set forth in the following story, which should receive the earnest attention of the Life Underwriters' Association of New York and other local bodies located at various points in the State. No action has been suggested that could not properly be considered by the local associations as they now exist.

If it has been impossible thus far to obtain a satisfactory solution to certain problems through the local associations of New York State, what particular brand of magic will accomplish the desired result through the United States mails? Evidently old Doc Cook is on the job again. "The Paper Association" is just about as thin as its name implies, absolutely impracticable and utterly visionary. But let the *East-ern Underwriter* tell the story:

There is considerable talk among prominent life underwriters in Greater New York concerning the formation of a new Life Underwriters' Association to operate independently of the Life Underwriters' Association of New York. The proposed association, should it materialize, will be styled The Paper Association, and confine its activities to metropolitan and State matters. Each agent on becoming a member of the organization will be required to sign a pledge binding him or her to report all complaints to the body in writing, and to vote on all matters and questions submitted to them through the organization in writing, thus guaranteeing a forceful expression of opinion for or against all points in dispute.

All meetings will be held on paper, the complaints and questions coming to the association's governing board or committee are to be collated and submitted to the members in writing for their attention and action. It is anticipated that this will bring about a larger and more hearty participation in the discussion of the many matters of importance to the life underwriter.

Those contemplating the formation of the new organization believe that the present Life Underwriters' Association does not obtain an expression of the views of its own members, to say nothing whatever of the views of life underwriters generally. In the New York association there are about three hundred members at the present time, and it is seldom that more than fifty are in attendance at the monthly meetings.

Attention is called to the fact that the superintendent of insurance licensed about 27,000 agents to write life insurance in New York State during 1913, and it is believed by real life insurance men—those who make their living selling life insurance—that that number is ridiculously

large. The report of the department shows that there was ordinary business written in the State in 1913 of \$295,816,360, which would give an average of less than \$11,000 for each license.

In New York City alone there are probably 1,500 life insurance agents who make the principal part of their income from selling life insurance. It is estimated that there was probably \$150,000,000 of life insurance written in New York City and vicinity in 1913, and with 1,500 men writing that amount the average would be \$100,000 each. It is contended that these 1,500 agents should be consulted frequently and that their views should be known.

The qualifications for membership in the new organization will be:

1—Its members shall be reputable men who are real life insurance agents.

2—They shall consent to express their views from time to time in answer to every written question sent them.

As stated, the organization is to be conducted by mail. Questions are to be sent to the members and they are to answer such questions "yes," or "no" or "neutral." In this way the views of the life insurance fraternity will be known.

Among the first questions to the members of the proposed association will probably be found the following:

Do you think 27,000 life insurance licenses in New York State are too many?

If a life insurance agent is licensed for one company, do you consider another license necessary should he desire to place a case in another company?

Do you consider a bookkeeper eligible for a life insurance license?

Is it right that a general insurance broker should be allowed to place life insurance without any expense to himself for a license, while a life insurance agent is not permitted to place general insurance without passing an examination and paying the State \$10?

Is it right as between citizens of the same State, that the manager of one company should be allowed to ask for 1,000 licenses for his company without charge and even without the knowledge of the men who are to be licensed, and that another manager may not apply for any license except at the expense of \$2 to his company?

It is planned that the association shall be the aggressor, and instead of saying to the individual member "Go ahead and prosecute," the association will say, "We will handle the affairs of our members; we will lay all facts before the State insurance department head and district attorney."

The sponsors of this new association say that there are 15,000 agents licensed in New York City at the present time and maintain that there are probably of this number only 1,500 who are real life insurance agents; that some definite work will have to be done on the part

of the 1,500 if licenses to sell life insurance are to be issued to life insurance men only.

The Farmer as a Prospect.

There are many general agents and managers with considerable territory in agricultural districts who are continually deprecating the unkind fate which has confined their operations to rural districts. Such men are prone to look with envious eyes upon that class of company representatives whose agency activities are almost exclusively within the larger cities. On the other hand, the metropolitan representative has intimate knowledge of the dangers, so far as eligible prospects are concerned, of high living, high business pressure and high blood pressure. It has been said on good authority that considering wealth per capita, the Wall Street district of New York, is the cause of more rejections by medical departments than any other section of the country.

We have been told times innumerable that our young men are deserting the farms and flocking to the cities, and poor old Silas, with the inevitable mortgage on the farm, has been the subject of our sincerest sympathy.

Notwithstanding, Silas is getting along pretty well, thank you! The actual facts with relation to the farmer are almost incredible. Of the total wealth of the United States, \$50,000,000,000 is represented in farms. There are 10,000,000 people engaged in farming; which means that there are more persons connected with agricultural pursuits than in all other occupations combined. As to the farmers' financial ability to purchase life insurance, it would be well to remember that the income of the average farm family is more than twice that of the average city family.

Therefore it is apparent that the agent with country territory to cover is not, to say the least, at any great disadvantage as compared with the fields operated by his city brother.

As an additional word of encouragement, let us quote certain statements of Herbert Myrick, editorial director of the *American Agriculturist*:

Summer, almost here, finds agricultural conditions more perfect than at this date in years. The reserves of moisture in soil and subsoil are larger and more universally distributed throughout the country than at this time since similar conditions in 1896 resulted in the bumper crops which ushered in the good times that followed.

Now, as then, stocks of goods on merchants' shelves are small, people have liquidated their indebtedness, money is easy, winter wheat is in more than perfect condition and a full acreage is being planted to other crops.

With ample reserves of moisture, frequent cultivation will insure even against drought. The great crops now in prospect * * * indicate healthy improvement in business from now until harvest, to be followed by renewed activity in commerce and industry. Indeed, the business prosperity which should follow anything like a full harvest may exceed all expectations.

Conditions justify confidence, optimism and wise preparation for expanding business. This is my judgment after personally touring many States, getting special reports from all sections and weighing carefully every factor in the agricultural, industrial and financial situation. Except for untoward events, good times are at hand. Away with pessimism!

J. F. Kight Indicted.

J. F. Kight, of the Kight Audit and Abstract Co., was indicted for violating Section 29, act of June 1, 1911, of the laws of Pennsylvania, on April 30. Action was taken in pursuance of proceedings instituted by the Insurance Department of that State, but no date has as yet been set for the trial. The indictment recites, in substance, that Kight on October 28, 1913, made misleading representations and incomplete comparisons of two insurance policies issued by a New York company, with the intent of inducing the policyholder to allow them to lapse. It is reported that the counsel

for the defendant intends to test the constitutionality of the act by a motion in the Quarter Sessions Court to quash the indictment.

Death of Hervey S. Dale.

Hervey S. Dale, general agent of the Union Mutual, at Chicago, after an illness of several weeks, died April 17, at Pass Christian, Miss. Mr. Dale was born at Stevens Point, Wis., July, 1857. His family moved to Chicago in 1864, and after graduating from high school, Mr. Dale was associated with his father in Government contracting. In 1878 General Sheridan appointed him to a position in the Quartermaster's Department of the United States Army, and later he was promoted to chief of the department for the Chicago division. In 1890 he was appointed manager of the Union Mutual at Chicago. He was one of the veterans of the Chicago association, and on February 20, 1894, was elected treasurer, and each succeeding year was the unanimous choice of the membership for that office. At the 1913 convention of the National Association, he was elected treasurer of that body.

Acknowledgments.

Standard Insurance Directory of New England. A complete list of fire, marine, life, casualty and miscellaneous insurance companies doing business in New England, with the names and locations of their agents. Local boards and associations and list of brokers. Price, \$2. Published by the Standard Publishing Co., 141 Milk street, Boston, Mass.

The Consolidated Chart of Insurance Organizations. (1914 edition). The booklet contains detailed information concerning fraternal beneficiary societies, life companies and assessment associations. Membership, insurance and financial statements fully given, certificate conditions succinctly stated. Price, manilla cover, 50 cents; combined with leather pocket-book, 75 cents. Published by the Fraternal Monitor, Rochester, N. Y.

Twentieth Annual Edition Statistics Fraternal Societies. A manual for fraternal officials, deputies, organizers and members who wish statistics of the different societies presented in a complete, concise and plain manner. Price with flexible leather cover \$1, with manilla cover 35 cents. Published by the Fraternal Monitor, Rochester, N. Y.

Sixth Annual Report of the Insurance Commissioner of the State of Oklahoma for the year ending December 31, 1912. A. S. Welch, Insurance Commissioner.

Fortieth Annual Report of the Insurance Commissioner of the State of Pennsylvania, part two, life and accident insurance. Charles Johnson, Insurance Commissioner.

Statement of the ownership, management, circulation, etc., of LIFE ASSOCIATION NEWS, published monthly at New York City, required by the act of Aug. 24, 1912:

Editor, Everett M. Ensign, 56 Pine street, New York City.
Managing editor, Everett M. Ensign, 56 Pine street, New York City.

Business manager, Everett M. Ensign, 56 Pine street, New York City.

Publisher, Everett M. Ensign, 56 Pine street, New York City.

Owners, the National Association of Life Underwriters. No bondholders, mortgagees or other security holders. The National Association of Life Underwriters is a voluntary association and is not incorporated.

(Signed) EVERETT M. ENSIGN,
Editor and Manager.

Sworn to and subscribed before me this 25th day of March, 1914.

JACOB COHEN,
Notary Public, N. Y. County.

(Seal.) My commission expires March 30, 1914.

OFFICIAL NOTICE

May 15, 1914.

To the Members of the Local Associations:

The topic selected for the prize essay contest for the year 1914 is:

"WOMAN'S INTEREST AND INFLUENCE IN LIFE INSURANCE."

1. The essays are limited to one thousand words each.
2. As many members of local associations may join in the competition as such organizations may select.
3. Every essayist should place his name in a sealed envelope bearing a number corresponding to the number on the envelope containing his essay, and forward both envelopes in one enclosure to Everett M. Ensign, Corresponding Secretary, 56 Pine Street, New York City, on or before August 15, 1914.
4. The writer of the essay adjudged to be of highest excellence will receive the Calef Loving Cup as custodian of the same for his Association.
5. The cup will be held by him for his Association until the succeeding Annual Meeting of the National Association.
6. The writer of the essay adjudged to be second in merit will receive the Ben Williams Vase, under the same conditions of holding as obtained in connection with the first prize.
7. Should the Association for which either prize is held dissolve or withdraw from the National Association, the prize shall thereupon be returned to the Executive Committee of the National Association.
8. All essays submitted in competition shall become the property of the National Association, with the right of publication.

It is the earnest hope of the Executive Committee that this interesting and important feature of the Annual Convention will be participated in by a large number of the members of each association, so that the highest and best results may be realized.

COMMITTEE OF AWARD:

Mary Roberts Rinehart, Pittsburgh, Pa. (Chairwoman).
Dr. S. S. Huebner, Wharton School of Finance, University of Pennsylvania, Philadelphia, Pa.
J. S. Drewry, State Agent for Ohio and Tennessee, The Mutual Benefit Life Insurance Co.

The essays will be passed upon by the Committee of Award, and their report will be presented at the Annual Convention of the National Association at Cincinnati, Ohio, in September next.

EVERETT M. ENSIGN,
Corresponding Secretary.

P. S.—Please send your essay in *triplicate*, so that the work of the Committee of Award and that of the chairman of the Prize Essay Committee may be facilitated.

What the Local Associations Are Doing

Life Association News has no paid correspondents. We depend entirely upon the secretaries of local associations to send us stories of all meetings of their respective associations. If an account of the last meeting of *your* association does not appear in this department, ask the secretary of your organization why he did not send us the particulars.

Immediately after each meeting, on the same day if possible, secretaries of local bodies should send us a full account of the business transacted, *including copies of all speeches, or extracts from the most important of them.*

Akron.

Three new members were admitted at the regular meeting of the Akron association. The principal speaker was Rev. L. N. D. Wells, of the First Church of Christ. Wells claimed that the work of the life insurance agent is similar and next to that of the clergy; the clergy being interested in urging a man to provide for his future life in hereafter, and the life underwriter was endeavoring to convince the man of the necessity to think of the future welfare of his family after he himself has passed away.

Battle Creek.

F. W. Calvert, district manager of the New England Mutual in Battle Creek, Mich., is responsible for a round-up of insurance men which took place on April 28, for the purpose of organizing a local association. A considerable number of agents and managers signed applications to join. The second meeting will be held in the near future to elect officers.

Buffalo.

The members of the Buffalo association laid aside their books and suspended the pursuit of the prospect on the evening of April 28, to meet in the theater of the Buffalo Club for the most successful annual banquet the local insurance men have known. There were song and jest, comical monologues and sober serious speech.

The guest of the evening was Joseph A. DeBoer, of Montpelier, Vt., the president of the National Life Insurance Association. Mr. DeBoer proved an accomplished after-dinner speaker. His experience as former State Senator of Vermont and former representative in Congress gave promise. The other speakers of the evening included Henry W. Hill, former State Senator; J. M. Laird, of Hartford, actuary of the Connecticut General Life Insurance Co.; Dr. Vertner K.

n, and William D. Justice, of Buffalo. Joseph E. Gavin made a toastmaster of apt introductions.

During the dinner, the Electric City Quartette, from the stage of the theater, sang a dozen or more of the better sort songs and just as a preparation for the more serious speeches, W. F. Schmieding tangled up the German dialect a Dutch diversion and Frederic W. Zander had a whole lot of fun portraying Daniel Webster spoofing Rochester on the occasion of his only visit there.

What credit is due the life insurance agent for the reform and the advances that have been made was convincingly outlined by Mr. DeBoer. "The men in the front offices of many have learned," said he, "all the great lessons of insurance, not from their pleasant theories of finance hatched in those confines, but from the solicitor in the field.

It took the life insurance game just twenty-five years to learn that it was in business first of all to serve the public. The man who wanted insurance asked for this and for that. The solicitor came into the front office and demanded the same. The man in the shop, the man in the home, the yet made widows demanded those protections. So, step by step, we got policies which provided automatic extension, cash-up clauses, cash surrender values, loan values, etc. The possibility resting on the insurance men of to-day is nearly stupendous as the management of Government itself."

Mr. Hill pointed out that Buffalo's port to-day nearly equaled the commerce of London, and was already as great as that of Liverpool. He held that the Buffalo men have controlled the commercial policy of the State for the last twenty years, repeatedly by their stand being able to check vicious legislation originating from New York. Dr. Kenerson contributed to the thought that married men live longer and that there should be a bachelor tax imposed immediately on every unmarried man more than twenty-five years old.

Chattanooga.

The annual meeting of the Chattanooga association, held in the evening of May 1, at the Hotel Patten, proved one of the most interesting meetings the association has held during the two years of its existence.

The report of President J. W. Bishop showed that the association has made wonderful progress during the year. The most important report and one commented upon by the officers and a number of the members was that of the publicity committee, having in charge the publication of the *Insurance News*, which has proven largely responsible for the progress of the association. The fact that the plan of the local association has been termed the "Chattanooga Plan" by insurance men, insurance publications and newspapers from one end of the country to the other, and is being rapidly adopted by others, has served to direct attention to Chattanooga and give an unusual amount of advertising. The reports of the secretary and treasurer showed that the membership had grown and the finances of the association were in splendid shape. The election of officers resulted in the following:

Paul W. Shepherd, president.

Ed E. Brown, vice-president.

T. M. Keys, treasurer.

James M. McGaughy, secretary.

Executive committee—C. H. Royalty, chairman; J. W. Bishop and C. H. Grimm.

Following the business session the members repaired to the ball room, where the annual banquet was spread. On this occasion a number of invited guests, consisting of several Chattanooga business and professional men, were present and they all responded to toasts assigned to them. This proved to be quite a happy event and the occasion devolved itself into a regular love feast. The addresses by several of the members and those interested in the work of the association demonstrated the fact that they were keenly alive to the wonderful amount of advertising Chattanooga was receiving through the adoption of the Chattanooga Plan or Life Insurance News by the various organizations throughout the country. The chairman of the publicity committee, Julius J.

Cohn, coming in for considerable praise for the work he has done in promoting the plan. The retiring president, J. W. Bishop, was also warmly congratulated for his untiring efforts in preaching the gospel of insurance publicity to other organizations.

The program of the evening was as follows:

C. H. Royalty, toastmaster.

Address of retiring president, "Our Association," J. W. Bishop.

Address of incoming president.

"Life Insurance and the Pulpit," Rev. Ira M. Boswell.

"Life Insurance and the Press," Walter C. Johnson.

"Life Insurance—a Public Benefaction," Ed E. Brown.

"Life Insurance and the Examiner," Dr. Raymond Wallace.

"Life Insurance—a Necessity," Hon. Emil Wassman.

"Life Insurance and the Banker," Herbert Bushnell.

Chicago.

"Are you in favor of attempting to prevent the placing of life insurance policies in Chicago by anyone who is not a member of our association?" This was one of a series of questions sent out by President E. A. Ferguson, of the Chicago association, some time ago, in an endeavor to obtain a consensus of opinion. There was a considerable difference of opinion upon this one question, and it formed the main subject for discussion at the meeting of the Chicago association on the evening of April 23.

The following resolution was offered by J. F. Oates, of the Northwestern Mutual, and was unanimously adopted:

Be it resolved, That a representative committee of fifteen members of this association be appointed by the president:

1. To devise ways and means by which the will of the association as expressed in the recent replies to the president's circular may be carried out.

2. To devise plans for bringing into the membership of this association all of the life insurance men and women of Chicago.

3. To initiate efforts, the purpose of which shall be to limit the payment of commissions on life insurance to life insurance men only.

The committee as appointed by President Ferguson is as follows: S. T. Chase, Connecticut Mutual; I. H. Offner, Mutual Benefit; J. F. Oates, Northwestern Mutual; G. M. Herrick, Provident Life & Trust; J. D. Stevens, Massachusetts Mutual; H. D. Wright, Metropolitan; F. A. Cotharin, Union Central; R. W. Stevens, Illinois Life; G. H. Kromenaker, Mutual Life; Max Lindauer, Connecticut Mutual; Dr. H. C. Castor, Connecticut General; J. B. Thorsen, broker; F. E. Jones, New England Mutual; Alfred McArthur, National Life, U. S. A., and C. F. Axelson, Northwestern Mutual.

J. W. Janney, Provident Life & Trust, read resolutions in memory of Hervey S. Dale, who for many years was treasurer of the Chicago association, and at the Atlantic City convention was elected treasurer of the National Association.

The Executive Committee reported upon the deliberations of the Round Table Club, which is composed of the prominent general agents and managers affiliated with the local body. The membership of the association is now 378, and the clerical work in connection with it is considerable. It was therefore decided to pay the secretary a salary of \$20 a month.

Each member was supplied with a circular giving the questions submitted by the president, together with the answers received. The opinions secured showed that a majority of the members did not favor having after dinner speakers who talked on subjects other than life insurance; that, on the contrary, they were in favor of addresses exclusively on life insurance, either by members of the association or others. It also developed that a majority preferred general discussions on such topics as rebating, twisting, unfair competition, etc. Nearly 80 per cent. of the members who expressed an opinion were willing to contribute toward the expense of prosecuting agents for infractions of the law against rebating and twisting, while a great many expressed a desire to contribute to

the expense of securing more publicity for the association in order to strengthen its standing with the insuring public.

As to question ten, the votes were eighty-four in favor of attempting to prevent the placing of business by agents not members of the association; eighty-four voted against such proposition; eight members against attempting such action at this time, and twelve of those who voted on other questions did not answer this question.

The matter was then taken up for debate and the following participated in the discussion: C. F. Ayelson, Northwestern Mutual; George M. Herrick, Provident Life & Trust; J. H. Stevens, Massachusetts Mutual; Frank E. Jones, New England Mutual; F. A. Cotharin, Union Central; H. D. Wright, Metropolitan; Dr. H. C. Castor, Connecticut General; R. W. Stevens, Illinois Life; Alfred MacArthur, National Life U. S. A.; Max Lindauer, Connecticut Mutual; George A. Kromenaker, Mutual Life; James B. Thorsen, broker; Miss Sarah F. Jones, Equitable of New York; George F. Lust, National Life U. S. A.; John T. Burford, Standard Accident; Dr. A. E. Awde, Union Mutual; J. F. Oates, Northwestern Mutual.

There was much said on both sides of the question. H. D. Wright, superintendent of the Metropolitan, claimed that there were a large number of reputable insurance men who saw no particular reason why they should join the association and that the association should not under any circumstances attempt to prevent such men from placing business; that the correction of existing evils was largely in the hands of general agents and managers.

F. E. Jones favored legislation that would give the Insurance Commissioner authority to examine into the qualifications of agents before he licensed them.

John T. Burford advocated a policy whereby the association would create such a favorable opinion in the public mind that the insuring public would prefer to deal with members of the association, and R. W. Stevens said that the association ought to make membership in itself a badge of honor. Miss Sarah F. Jones, of the Equitable, gave a concrete instance of unfair competition.

Cincinnati.

With a view to permitting healthy competition in annual elections, Charles J. Stern, at the regular April meeting of the Cincinnati association, introduced an amendment to the constitution permitting a month to elapse between the report of the nominating committee and the election of officers. The amendment was adopted and President Sommer appointed as members of the committee J. S. Drewry, C. J. Iredell and Ralph Holterhoff.

The meeting was held at noon at the Business Men's Club, with Dr. Lee K. Frankel, sixth vice-president of the Metropolitan Life, guest of honor. Among other guests present were Major Brinkerhoff, of the Association of Life Insurance Presidents, and a number of officials of local companies. A telegram was received from Millard W. Mack, who was attending the meeting of the executive committee of the National Association. Mr. Mack regretted his inability to be present at the meeting, but stated that from the plans discussed in New York with regard to the coming convention that gathering promised to be the most successful in the history of life underwriting.

Dr. Frankel's subject was "The Ideal Agent and His Equipment." He declared that life insurance should be no longer looked upon as a business; that it should be considered as a social institution, and that agents must realize the necessity of being able to meet the changed conditions. He said that the time was coming when a life insurance agent would find it necessary to be as well educated in his special line as the lawyer or doctor or minister, and that in Germany at the present time the universities have courses preparing a man for life insurance salesmanship. Dr. Frankel was much interested in and discussed the results that had been accomplished in Cincinnati with regard to the public welfare. Cincinnati had reduced its typhoid rate to one of the lowest in the United States.

Major Brinkerhoff discussed the assistance that life insurance men could give in educating the public by means of legislation. It was his opinion that many of the burdensome laws placed upon the statute books were not due to a spirit of vindictiveness on the part of legislators, but rather to their ignorance.

In the evening Dr. Frankel addressed the students of the University of Cincinnati on "Conservation as Applied to Life Insurance."

Columbus.

A business session of the Columbus association was held at the Athletic Club on the evening of April 20. Movement was started to organize a Columbus-Cincinnati Convention Club. Last year the attendance at the Atlantic City convention was quite satisfactory and this year it is proposed to send a much larger delegation to Cincinnati. Dr. Lee Frankel, sixth vice-president of the Metropolitan Life, was the principal speaker. The subject of his address was "Conservation of Life and Preservation of Health." Dr. Frankel went into his subject thoroughly and presented many new facts to his audience. Several applications for membership were received and Charles E. Holmes, the new Columbus manager of the Mutual of New York, was elected.

Delaware.

The regular April meeting of the Delaware Association was held in Hanna's Cafe in Wilmington. At the meeting two new members were admitted, Frank L. Cates and John Dougherty, both of whom were present. The various reports of the officers were read, showing the association to be in an excellent condition.

C. B. Palmer, secretary of the organization, who is also Delaware representative of the association on the national executive committee, made an excellent report of the last meeting of that board. A letter was received from the Cincinnati association, asking the members to be present at the national convention which will be held in that city in September.

Aubrey Vandever, a member of the association, made an address on "How to Get Applications." A vote of thanks was tendered Mr. Vandever.

It was voted to have the meeting in the evening instead of noon as heretofore.

Jeremiah McDonough will make the address at the next monthly meeting and his subject will be "Agency Organization." One new application was received for membership. City Treasurer James F. Price, president of the organization, presided. Besides those mentioned the following were present: W. W. Knox, Arthur W. Swarts, George D. Kelly, Jr., C. Higgins and Frank C. Hughes.

Detroit.

Warren M. Horner, chairman of the National Committee on Education and Conservation, addressed the members of the Detroit association at a special meeting held on April 22. Mr. Horner explained the modified plans of the committee represented. Mr. Horner emphasized the benefits which would accrue from local advertising by referring to the success of his own agency in Minneapolis, where he had advertised in the local newspapers. During the past year he had written an unusually large amount of personal business, had called upon only twelve or fifteen prospects. All of this had come to his office as a result of his advertising.

The speaker dwelt upon the plans for institutional advertising, stating that in the funds raised, three-quarters of the amount is to go to local associations for local publicity, while the remainder is to be remitted to the National Committee on Education and Conservation. Among the members who gave approval of the scheme were Donald Clark, of the Mutual Benefit; H. Wibirt Spence, of the Mutual Life; W. D. Clibee, of the Pacific Mutual; Charles S. White, of the Northwestern Mutual, and Raymond Russell, of the Mutual Perfit. The matter is to be brought before a business meeting of the association for formal action.

The part-time man was the subject for discussion at a meeting of the association held on the 1st inst. Henry Farmer, of the Phoenix Mutual, started the ball rolling by declaring that part-time men did not have sufficient knowledge of the business or experience to explain the policy provisions, particularly in the case of income or business insurance. Mr. Farmer believed that the part-time man should be eliminated because he militates against the work of the full-time man.

Donald Clark, of the Mutual Benefit, supported Mr. Farmer so far as one case of part-time men is concerned. He was of the opinion, however, that there was a field for the part-time man, particularly in small towns, where frequently he develops into a full-time man. He was in favor of a law which would require every agent who applied for a license to pass an examination, showing himself qualified to engage in the business.

C. W. Lisk, of the Northwestern, told how unsatisfactory conditions were when he found himself in competition with brokers, bootblacks and other part-time men.

H. Wibirt Spence remarked that in many instances the part-time man was an evil, particularly in cities, and that the same objections that have been raised as to part-time men could also be made with regard to the lazy full-time man.

A. G. Richards was of the opinion that the solution to the problem would be found when general agents refused to license part-time men.

National Executive Committeeman Henry Farmer reported briefly upon the recent meeting of the National Executive Committee. It was decided that the June meeting should be postponed. A Cincinnati Convention Club was started and a roll will be kept open for some time. A committee was named to draft suitable resolutions on the sudden death of John J. Oliver, secretary of the Michigan State Life.

District of Columbia.

National Vice-President Edward A. Woods delivered an address before the District of Columbia association on the 1st inst. Mr. Woods declared that the taxation of life insurance funds in the United States directly affects twenty-five million people. Among the other speakers were Senator Sherman, of Illinois; Representative Goulden, of New York; Representative Campbell, of Kansas; National President Ernest J. Clark, and Charles F. Nesbit, Superintendent of Insurance of the District of Columbia.

Grand Rapids.

Warren M. Horner and H. Wibirt Spence were the principal speakers at a meeting of the Grand Rapids association, held on April 25. Mr. Horner's remarks were largely devoted to the institutional advertising campaign, although he touched on other subjects of interest to his audience. Mr. Spence followed and supported Mr. Horner's arguments. As there was present a number of prominent citizens, both speakers took this occasion to talk non-technically.

Indiana.

Outlines of the general plan for a national campaign of education on the subject of life insurance were given by Warren M. Horner, of Minneapolis, in an address at a dinner given by the Indiana association at the Hotel Severin on the evening of April 16.

Mr. Horner took the position that life insurance is not understood by the public, and that a campaign of education, conducted by the insurance people themselves, would be of great benefit to the public, as well as to those engaged in the insurance business. The campaign is to be carried on through the medium of institutional advertising in publications of national circulation. These advertisements will be entirely impersonal and will not name or make reference to any company or agent or any individual plan or form of policy. The purpose, as explained by Mr. Horner, is to acquaint the people with life insurance as an institution without advertising any company. The entire expense of carrying on this campaign will be borne by life insurance agents all over the

country, the plan providing for a tax of 5 cents on each \$1,000 of insurance written by agents who agree to contribute to the fund. Already the National Association is committed to the plan, and many State and local associations also have fallen in line.

In addition to the national campaign, it is planned to have local associations supplement the work with local campaigns of education, conducted along similar lines.

It was brought out by Mr. Horner that the life insurance companies had been solicited to contribute to the educational fund, but that they had declined to do so. The objections raised by the companies, he said, were numerous. They said if they started in on a campaign of advertising they would be hounded to death by solicitors for all kinds of advertising. Another objection was that the plan might help a mail order insurance company. Other objections raised were that the agents themselves should pay the bills; policyholders might object to the use of their money for the education of the public, and that the companies do not wish to come together on any common ground. But Mr. Horner said he thought the principal trouble with the companies was a lack of sympathy with the general proposition. He designated this stand as a short-sighted policy on the part of the companies. He predicted great benefit to the insurance business as a whole from the campaign just being started.

Charles F. Coffin, vice-president of the State Life Insurance Company, of Indianapolis, made a short talk, in which he took issue with Mr. Horner regarding the position of the companies. He said that under present insurance laws in many of the states the companies would not be permitted to spend money for the purpose of education, and that this was the one great reason why they were not able to join in the movement. It was not from a lack of sympathy on the part of the companies, he said.

Charles H. Orr, of Ft. Wayne, made a speech in which he explained the campaign of education through newspaper advertising that the life insurance agents of that city are carrying on, the plan being similar to the one proposed in Mr. Horner's plan.

The Indiana association celebrated the twenty-fifth anniversary of its organization on May 4 at the Indianapolis Chamber of Commerce. President George W. Wilson, of the State Life, officiated. E. A. Edwards, of Edwards & Osborne, general agents in Indiana for the Provident Life & Trust, gave an interesting talk on reminiscences. It was an interesting fact that Mr. Edwards is the only charter member of the association who is still identified with it. The following new members were admitted: J. L. Shields, Phoenix Mutual; Albert Kahler, Indianapolis Life, and Frank L. Jones, Equitable, of New York.

Northern Indiana.

A resolution to the effect that the members of the Northern Indiana association will not favor any attempt to escape taxation under the new income law, and will go on record as opposed to any such proposition, was passed yesterday at the noon meeting of the association held at the Commercial Club. The resolution was submitted to W. Orr and C. B. Fitch, to be properly worded for the minutes.

The discussion regarding "Life Insurance News," which is a new form of advertising by the association, took up much of the meeting time. C. W. Orr, a member of the executive committee of the national association, also read a report of the meeting held recently at New York City.

The members of the Northern Indiana association are counting on more than filling the ten places allowed them at the Cincinnati convention. They predict that a large number besides those who will represent the Northern Indiana association officially will be in attendance.

Iowa.

The Iowa association held a meeting on the 2d inst. at the Grant Club in Des Moines. There was a discussion of the next meeting, which will be held at Colfax, thirty miles east of Des Moines. At this time the wives and lady friends of

members will be entertained by the association. There were also general discussions on "Fitting the Policy to the Man," and "Insurance at Risk."

Kalamazoo.

The first regular meeting of the Kalamazoo association was held at noon on April 20 in the Commercial Club Rooms and was largely attended. Many new members were secured and the association has a very auspicious start. Mr. Leslie P. York, of Kansas City, Mo., southwestern representative of the Equitable of New York, was guest of the association at its noonday lunch.

Mr. York addressed the members, outlining the route which will develop the recently organized association into a powerful, influential and successful body. Mr. York spoke on the subject, "Efficiency in Life Insurance Salesmanship." Mr. York impressed the value of perfect business methods in accomplishing the best results, declaring that any man in any business or profession could not possibly be successful unless he treated his clients, customers or prospects, as the case might be, on the square. Mr. York declared the insurance business to be the greatest business of the age. He cited facts which proved the insurance assets to be second in the world only to the combined assets of the railroads of the United States, exceeding five billion dollars.

Kansas City.

The April meeting of the Kansas City association was in the nature of a jollification at the Baltimore Hotel. About 50 members with their wives and guests enjoyed a banquet, danced, played cards, listened to inspiring talks and witnessed some vaudeville stunts by the members. The entire second floor of the hotel was reserved for the association.

Knoxville.

The regular monthly meeting of the Knoxville association was held on April 25. The following new members were admitted: J. H. Newman, Union Central; S. E. Turner, Mid-Continent Life; Chas. G. McNabb, Mid-Continent Life; R. W. Mizell, Union Central; H. C. Kine, Mid-Continent Life; Thomas L. Cate, Home Life, and Grover C. Summers, Pacific Mutual.

A. S. Caldwell, vice-president of the Volunteer State Life, delivered an interesting address, in which he urged attendance at the regular meetings of the association as being essential to fulfilling the objects thereof as well as for gaining information and enthusiasm so necessary for the successful pursuit of the profession. Mr. Caldwell endorsed the plans of the Committee on Education and Conservation, showing the great benefit which would result in the public mind.

T. S. McKinney, who represented the association at the mid-year meeting of the National Executive Committee, briefly reported the proceedings of that gathering and dwelt particularly upon the advisability of organizing a Cincinnati convention club. He also urged the prompt payment of annual dues to the National Association, and gave some attention to the work of the National Committee on Taxation and the proposed textbook now in the course of preparation.

A movement was inaugurated for organizing a Knoxville-Cincinnati convention club.

Lansing.

The Lansing association met at noon on April 11, at the Hotel Downey, to enjoy a banquet and to vote upon the question of entering the National Association.

The principal speaker at the banquet was H. Wilbirt Spense, of Detroit, representative of the National Association. Before the banquet Mr. Spense said, "The object and purpose of the national organization is to advance the best interests of the cause of true life insurance, and this is done principally along educational lines. Instructors are now giving lectures in colleges, universities and high schools all over the country, and one will lecture at M. A. C. soon."

"Life insurance is generally misunderstood by the public. Some of the people's minds have become fogged concerning it, and they are believing it is an intricate and difficult proposition, which is a mistake. Simple, plain life insurance

should be understood by everybody, and it is our intention to have it looked upon as an institution. If the women really understand what life insurance really means to them, many more of them would be protected by it. A wife is sometimes indifferent, or luke-warm on the question of having her husband insure his life for her benefit, but we hope as soon as we can, through our educational efforts, to make her understand what it really is, that we will be able to protect many more widows and orphans."

Favorable action was taken and Mr. Spense was authorized to present the application for membership of the association to the officers of the National Association.

Lima.

Among the speakers at the regular April meeting of the Lima association was Assistant Superintendent of Agencies Hommemyer, of the Union Central, and John Allam, president of the Toledo association. The past month has been the first of this association in its publicity campaign, but during this short period the members feel that results have been secured. It is the intention of the association to publish three articles each month for distribution among local newspapers.

Los Angeles.

The Life Underwriters' Association of Los Angeles has introduced an innovation in the form of a series of meetings at which technical subjects relating to life insurance are given a prominent place on the program. The plan is proving valuable in increasing the membership of the association, and is also highly profitable to the members attending. The March meeting of the Los Angeles association was devoted to a discussion of the legal side of the subject of trusts, comparisons being made with life insurance. The address was made by Judge William R. Hervey. The April meeting was an evening with the medical department, and three strong addresses were made by medical men of authority. About eighty members and guests, sixteen of whom were practicing physicians, attended the meeting.

After the dinner and usual preliminaries, President Chipron called on former President Frank E. McMullen to announce the purposes of the meeting. Dr. Harley E. MacDonald, who is an authority on blood pressure, was the first speaker of the evening. Dr. MacDonald spoke on "Blood Pressure," illustrating his lecture with the sphygmomanometer, an instrument of his own invention, and a chart, "How to Live a Hundred Years." He stated that 11 per cent. of all applicants for life insurance are rejected, but that with proper use of his instrument that ratio can be reduced to 5 per cent. He showed how both diagnosis and prognosis are greatly aided by taking the blood pressure. He also stated that persons who are overweight or underweight, or have moved to new locations to benefit their health, should subject themselves to the blood pressure test, for doing which they may receive favorable consideration by the medical department, even though they had been previously rejected.

Dr. J. E. Cowles, the next speaker, supplemented Dr. MacDonald's address with practical tests which he had made. He then gave a complete analysis of the human heart, with an explanation of blood circulation. He said that not more than 20 per cent. of the power of which the heart is capable is used under normal conditions. The remaining 80 per cent. is reserved for unforeseen contingencies. Speaking of the mechanism of the heart, he asked how many men-made engines would run without stopping for eighty or even a hundred years. His paper contained many suggestions which should have a tendency to place the agent in closer sympathy with the work of the medical department. Dr. John R. Haynes, who is a national authority on life conservation, brought this portion of the program to a close with an interesting paper on "Conservation of Lives," reciting many facts and figures relating to mortality experience.

Louisiana.

"When Does Competition Cease" was the subject discussed at the monthly luncheon-meeting of the Louisiana association,

t Kolb's restaurant, New Orleans, April 28. President Crawford H. Ellis, presided and there was a large attendance and a great deal of interest shown in the discussion. H. L. Garic, of the New England, chairman of the committee on entertainment, outlined the subject and paved the way for its consideration. J. W. Smither, of the Union Central, was in favor of any action that meant ethical and correct practices in competition. He elaborated on the idea in an interesting way.

Dr. E. G. Simmons, of the Pan-American, said, in part: "I believe that competition should cease when the application has been signed and the applicant has submitted to a medical examination at the hands of the company's regular examiner. I can see no good reasons why the same business principles that apply to other lines of business in the United States should not apply to the business of life insurance. For example: A man orders from a wholesale grocery house a bill of goods, the same to be shipped on certain terms and conditions. If the goods are delivered in accordance with the order made for the same, he must accept that bill of goods or else his credit will be materially affected with the wholesale houses in the country. Again, how long would a retail merchant last if he refused to accept goods shipped to him that he had ordered in good faith? It would not be long until he would not be able to buy a dollar's worth of credit anywhere in the United States."

D. R. Metzger, of the Metropolitan, said that his position on the subject was governed by instructions from his company and that these orders absolutely forbade any undue advantage being taken of a competitor. He mentioned an instance where he had written an application for \$10,000, his prospect telling him that he had taken out a policy in the Pacific Mutual and had been asked by the agent of that company to consider an additional policy amounting to \$4,000. When the policy was sent out from the Metropolitan, instructions came with it not to deliver until the Pacific Mutual had been given the opportunity to deliver the extra \$4,000. Mr. Metzger said this very clearly defined the attitude of his company on this question.

"I believe," said T. P. Thompson, of the Equitable, "that competition should cease so far as one's butting into another man's business—before it begins. Every man should have insurance and almost every man with a policy has too little. Why should I devote my time to aggressive and predatory work when by walking further down the block I may find another prospective customer? Why get into a controversy and strain one's nerves for half a chance when you can calmly have another man, just as good, all to yourself. When I am challenged to competition I gladly enter the lists. When someone comes in on my business I am quite ready for defense and eager for comparison. I am ready to show the virtues of my company's insurance, but I will not try to drag the other fellow's company down to do this. This is not for any 'holier than thou' reason, but purely as a matter of policy. Dignity and proper defense, also the sincere assurance of your company's integrity and that it will carry out its obligations, that economies are well preserved in its methods—these things all count best in my judgment."

Wilson Williams, of the New England Mutual, said:

"It is hard to define the bounds of competition when so many different methods are employed in soliciting life insurance. No two men canvass alike, and the successful producer gets results very often because of his original methods. There are any number of agents in this city who never sell insurance until they have the policy in hand. Competition in such cases certainly cannot be considered closed with the examination of the prospect. He is not at that time even an applicant. By the agent's own agreement he is only obligated to 'look the policy over.' This privilege of inspection before giving his decision certainly leaves the case open to competition until settlement of the premium is effected, and this alone should end the competition on such cases."

"If before medical examination, it is known that an appli-

cant has signed with the understanding that policy, if issued as applied for, will be accepted and paid for, this statement by the applicant should end the competition, because of the binding contract already made. This method of writing business is to be commended, and for the best interests of our business should be encouraged. No agent need fear competition from my office on such cases."

J. H. LaSance, of the New York Life, believed in fair methods and endorsed generally the remarks made by Mr. Thompson. So long as the case is open he would use his best efforts to obtain the business.

Frank L. Levy, of the Equitable, stated that it was very difficult at all times to draw a sharp, well-defined line as to where competition should cease. He stated that in the main he agreed with the sentiments expressed by Mr. Metzger, of the Metropolitan; Mr. Smither, of the Union Central, and Mr. Thompson, of the Equitable.

He placed himself emphatically on record as opposing that kind of competition that involves the undoing of work already done by a competitor, the unsettling of the applicant's mind by forcing competition on him in cases where the applicant had gone so far as to make a decision to give his business to a solicitor who had previously obtained his application and had him examined.

Western Massachusetts.

The Western Massachusetts association held a meeting on April 24 at Springfield. The speakers were Benjamin Franklin, of Pontiac, Mich., and Guy F. Wheeler, agency secretary of the Provident Life & Trust of Worcester. Mr. Wheeler delivered his address on "The Psychology of Salesmanship from the Agents' Viewpoint."

Memphis.

The Memphis association did two things at a meeting which was held at the Chickasaw Club at noon on April 24.

A plan looking toward a system of educational publicity on non-partisan lines advertising life insurance was discussed and probably will be undertaken and the officers for the ensuing year were elected.

The following will be in the saddle for the coming year:

J. E. Lippitt, president; J. B. Marmon, vice-president; C. A. Weathers, secretary; J. W. McKinney, treasurer; G. M. Anderson, W. G. Erskine, Henry Lake, Jim Rawlings, Joe Smith and C. D. Williford, executive committee.

Minneapolis.

Insurance Commissioner Preus, of Minnesota, declared at the April meeting of the Minnesota association that he thought the companies should decline to renew the licenses of all agents who, after one year's service, are unwilling to devote their full time to soliciting. Mr. Preus' remarks had largely to do with agency organization and efficiency. He stated that the agent's or agencies' first duty was to the State, while the second duty was service to the prospect in fitting the policy to the man. With regard to his emphatic views on the part-time question, he excepted agents in rural communities whose business is exclusively insurance. Rebating and twisting, he attributed largely to part-time men scattered through business institutions. Several new members were admitted.

Secretary Harry W. Butts read a letter from C. E. Learned, secretary of the St. Paul association, inviting the members to be present at a dinner to be held at the Commercial Club of St. Paul on May 4. A communication was also read from A. F. Sommer, president of the Cincinnati association, urging a large attendance for the annual convention. The next meeting of the association will be held on the 23d inst., and the subject to be discussed will be "The Part-Time Man."

Nashville.

At the April meeting of the Nashville association a committee composed of President W. A. Alexander, N. A. Crockett, Reau A. Folk and Lee L. Loventhal was appointed to prepare resolutions on the question of taxation. The following resolution had been prepared by the committee and was unanimously adopted:

Whereas, The institution of life insurance is one of the most beneficent in our civilization, yielding only to the church and schoolhouse in its upbuilding and uplifting influence upon our social and economic life; and

Whereas, Such an institution is entitled to and should receive every encouragement and consideration from government; and

Whereas, The life insurance companies doing business in this State are called upon to pay, in addition to property and other taxes, a burdensome privilege tax of two and one-half per cent. (2½%) upon the gross premiums received from business in this State; and

Whereas, This is entirely disproportionate, constituting an impost that cannot be justified on the underlying theory of taxation that the burdens of government should be distributed in accordance with benefits received from government; and

Whereas, The burden necessarily falls upon the policyholder; and

Whereas, It is repugnant to every sound principle of social economics that so heavy a tribute should be required of the citizen who, with loving forethought, is making through life insurance provision against want and charity for his loved ones; and

Whereas, The State property gives recognition to the beneficent relation of life insurance to society, through the exemption from taxation of fraternal orders furnishing life protection; and

Whereas, No just reason can lie for exempting one branch of the institution of life insurance and taxing another branch; therefore be it

Resolved, by the Nashville Association of Life Underwriters, that we recognize the premium tax of two and one-half per cent. (2½%) now imposed by this State as burdensome, disproportionate to other tax imposts, unjust and in view of the nature of life insurance wholly unwarranted. Be it

Resolved, That the members of this association pledge themselves to the task of enlightening policyholders to the fact that this tax necessarily falls upon them, so that a public sentiment will be created which will be reflected in proper remedial measures by our legislators.

New Jersey.

At the Down Town Club in Newark, on April 30, the New Jersey association held its third annual banquet. President Theodore F. Keer officiated as toastmaster. Among the speakers were Vice-President Edward W. Rhodes, of the Mutual Benefit; James V. Barry, assistant secretary of the Metropolitan; F. W. Tasney, supervisor of the Prudential; Donald G. C. Sinclair, former president of the New York association, and Robert F. Ross.

New York.

Edward A. Woods, vice-president of the National Association, disclaims all ability as an orator, yet those who listened to his address before the April meeting of the New York association are inclined to dispute his modest opinion. The meeting was held on the evening of April 22 in the Rose Room of the Hotel Astor, with an attendance far below that which was anticipated.

Seldom, if ever, have the members of the New York association listened to an utterance more inspiring than the message of Mr. Woods. While the speaker touched lightly upon the taxation problem, his remarks were largely devoted to the modern idea of service to the policyholder. He told of conditions in the days of his father and when he was a boy. His father was a college professor, but made shopping trips to market with a market basket over his arm, while he, the son, ran around bare-footed during the summer months. In the days of his father, Mr. Woods said, the blacksmiths were the dentists. He brought his story down to date by tracing the improvement in transportation facilities and in the establishment of the telephone and telegraph lines and all the other various adjuncts of modern progress in inventive ability, showing how cheapness is frequently at the expense of serv-

ice and that the modern idea is service rather than price. "You can go to Pittsburgh by the B. & O.," said he, "or you can go to Pittsburgh by the Pennsylvania. The Pennsylvania route will cost more money, but you can get infinitely better service and at the same time you get there sooner."

In developing his subject the speaker declared that 25 or 30 years ago it was seldom that a life insurance agent even thought of fitting the policy to the needs of the policyholder; that in those days it was much safer to mail a policy than to deliver it personally and be under the necessity of explaining its provisions or lack of provisions. Such agents could not write business under existing conditions. He made a strong plea for the elimination of the part-time man, especially in metropolitan districts, as the part-time man or one-case agent did not have the experience or knowledge necessary to give the policyholder expert advice.

Public opinion, he thought, was a fairly good guide, and when an agent deserved respect he was treated accordingly, but when conditions were such that any man might obtain a license to solicit insurance the agents deserved the cold reception which was sometimes given them.

An experience of good service was cited by Mr. Woods in the case of a woman who had just come into possession of \$1,200 on a policy on the life of her husband. The agent took the widow to a bank and induced her to deposit \$1,000 at interest and saw to it that she opened a check account for the \$200 balance. As an illustration of the dangers which frequently befall beneficiaries without the expert advice of an experienced life insurance salesman, Mr. Woods called attention to a case with which he was personally acquainted. A wealthy man in Pittsburgh died in February, leaving his wife life insurance to the extent of \$300,000, and every cent had been dissipated by the widow in several weeks. He also mentioned another case where a \$4,000 claim was paid to a widow who had always lived in ordinary circumstances in a mill town in Pennsylvania. She immediately invested \$1,800 of the sum in a piano player. Statistics proved, said the speaker, that a large majority of estates over \$5,000 are dissipated in seven years. Another instance cited by Mr. Woods was in the case of where the widow of a rich man received \$500,000 from accident and life policies. The estate owned a laundry and several other large enterprises. At the present time, however, this woman, who is 70 years old, has lost everything and is working as a laborer in the laundry which she formerly owned. Mr. Woods declared that he had never seen a case of a widow with too much life insurance and that, generally speaking, there was no such thing as over-insurance.

He then discussed the taxation problem and later in the evening mentioned the fund being raised to pay expenses of counsel in an income tax test case.

Several new members were admitted. Louis L. Hopkins, a member of the National Committee on Education and Conservation, explained the modified plans of his committee as decided upon at the mid-year meeting of the executive committee of the national body held on the previous day.

Nebraska.

D. L. Johnston, a prominent attorney of Omaha, was the principal speaker at the May meeting of the Nebraska association, held at Omaha on the 2d inst. Mr. Johnston wrote the present "Law of Decedents," and fully explained its provisions and the reasons for their adoption. The next regular meeting will be the last before the summer vacation.

Oregon.

Fifty members and guests were present at the regular monthly meeting of the Oregon association held on April 21 at the Commercial Club in Portland. Section 2 of the by-laws was amended by action of the association to read as follows:

The association membership shall be composed of such duly elected city sub-agents, medical examiners and office employees of legal reserve life insurance companies licensed to operate in the State of Oregon. They shall be entitled to all the privileges accorded to active membership.

A communication was read from Garner Curran, deputy commissioner of the World's Insurance Congress, with refer-

ence to holding an insurance day on April 19, 1915, at the Panama-Pacific World's Exposition. The object of this communication was to arouse interest in this proposed insurance day, to the end that a large delegation from Oregon might be present at that time in San Francisco. A committee was appointed to take the matter in hand.

The secretary announced that a membership campaign would be inaugurated during the next 30 days with the purpose in view of bringing into the association all reputable agents who are not now affiliated with the association. Insurance Commissioner Von Valkenberg, of Idaho, gave an interesting talk relative to securing business in his State.

Horace Mecklem, general agent of the New England Mutual, delivered a remarkable address relative to his system of selling life insurance. Mr. Mecklem illustrated his talk by a chart, showing scientific observations of the value of each call made by him and the value of each day's work throughout a period of four years and three months. It was the consensus of opinion that this address was a magnificent exemplification of what work and persistent attention to the details of the business would enable any man to do.

Mr. Millor, supervisor of agencies for the Connecticut Mutual, gave a talk reviewing the history of life insurance over a period of 30 years.

A. H. Averill, president of the Portland Chamber of Commerce, was present as a guest of honor and discussed the plans which his organization has in view for the upbuilding of Oregon.

Horace D. Ramsdell, president of the Portland Commercial Club, spoke for a few minutes and gave his ideas as to what should constitute an agent's ideal with respect to his relation to his client.

The large attendance and the character of this meeting was particularly inspiring to the officers of the association, as it shows a tendency on the part of the Oregon underwriters to come to the front and be a force in the community, not only among life insurance men but among the general public.

Central Pennsylvania.

Largely as a result of the efforts of the newly elected president of the Harrisburg association, Dick Oliver, a very successful banquet was held by the association on the evening of April 30, at the Engineers' Club. Mr. Oliver presided and National President Ernest J. Clark and National Vice-President E. A. Woods were the speakers.

The entire membership of the Harrisburg association, numbering 18, was present and in addition 22 invited guests, most of whom were agents from adjacent cities and towns. The purpose of the meeting was to increase the association by non-resident membership. This was a signal success. Applications with dues paid for a year were received from 23 men.

President Clark spoke very effectively on the subject of "Advantages of Membership in Local and National Bodies," and Mr. Oliver, in his characteristically forceful manner, presented the ever-interesting subject, "Taxation." A gain of over 100 per cent. in membership in one evening, inasmuch as the previous membership comprised almost all of the leading men in the life insurance business in Harrisburg, is good progress and it is the hope and expectation of the association that it will double its membership again within a few months.

In order to better typify the aim of the association the name has been changed from the Harrisburg Association of Life Underwriters to the Central Pennsylvania Association of Life Underwriters.

In an effort to express their appreciation of the services of Mr. Clark and Mr. Woods the members enthusiastically voted both men honorary life members of the local body.

Pittsburgh

The speakers at the regular April meeting of the Pittsburgh association were T. H. B. McKnight, of the Pennsylvania lines, and C. F. C. Arensberg, of Patterson, Crawford, Miller & Arensberg, attorneys at law. This was the first meeting presided over by the new president, William M. Duff, and it was held in the English room of the Fort Pitt Hotel on the evening of April 20, dinner being served at 6.30.

In the course of his remarks Mr. McKnight stated that he carried over 70 different policies. The speaker dwelt largely upon the systematic keeping of accounts and the budget system and illustrated his talk by the use of charts. The subdivisions of expenses he classified as follows:

Investment—Includes amounts invested, put into savings accounts, insurance premiums, interest on money borrowed for purchase of securities, etc.

Rent—Covers rent, if one lives in a rented house; or maintenance of property, repairs, renewals, interest on mortgage, insurance, and property taxes if house is owned.

House—Includes expense of running the household—details to be kept in a separate account.

Allowances—Certain portion of income to be turned over to wife for her personal expenses and charities—also similar allowances to children as they grow old enough.

Educational—Covers schooling of children, lectures, concerts, theaters, excursions, amusements, etc.

Stewardship—Covers church dues and all contributions to charity.

Personal—Includes all a man's personal expenses, clothing, car fare, tobacco, etc.

Medical Attention—Covers those unexpected and irregular but certain expenses for doctors, dentists, oculists, etc.

Taxes—Covers occupation, income and all taxes but those on house occupied by owner which are included under rent.

From an educational standpoint the address of Mr. Arensberg deserves special mention. He gave an exhaustive resume of the legal problems which arise in connection with notes and bills—negotiable instruments.

Puget Sound.

At the annual meeting of the Puget Sound association the following officers were elected for the ensuing year: President, W. D. Mead, Pacific Mutual; first vice-president, R. C. Stuart, New York Life; second vice-president, Charles C. Thompson, Metropolitan; secretary, A. B. Furner, Penn Mutual; treasurer, P. B. Duren, Union Mutual. Retiring President I. A. Nadeau was presented with a handsome watch fob set with diamonds as a token of appreciation of his work done during the year. President Mead in his inaugural address urged that steps be taken to establish a course on life insurance at the University of Washington, a lecture campaign be conducted to spread the gospel of life insurance, and that concerted effort be made to secure legislation penalizing misrepresentations and other reprehensible field practices.

Rhode Island.

Edward A. Woods, vice-president and chairman of the committee on taxation of the National Association, was the principal speaker at a banquet held by the Rhode Island Association in the Narragansett Hotel on the evening of April 28. It was the monthly meeting of the association and it was attended by 130 underwriters and their friends. Among the speakers were Mayor Gainer and ex-Mayor P. J. McCarthy.

Maurice C. Stearns was toastmaster and the following acted as a committee of arrangements: George M. Parks, William H. Gardner, H. M. Smith, W. H. Greene, John E. Marshall, George H. Collett, F. M. Donnelly, W. M. Warren, W. S. Ruden, A. L. Intlehouse, H. M. Wheaton and A. M. Crum.

Mr. Woods, the principal speaker, said in part, in speaking on "The Taxation of Life Insurance":

"For the first time in the history of the country, when the issue was fairly up, the President of the United States and both Houses of Congress, after a consideration lasting all summer, decided that life insurance was itself a self-imposed tax by the provident and thrifty classes of the community, principally to provide for the wives and children and thereby save the State from later dependency, and that it was uneconomic to tax a tax. Having won this victory, largely by the aid of insurance agents throughout the entire country in presenting the case of the policyholders to their various Con-

gressmen and Senators, it is a good time now to bring about some abatement in the burden imposed by 48 different States.

In closing he gave figures showing the relationship of life insurance to dependency and philanthropy, showing the reduction of poverty, crime, dependent orphans and aged and better social conditions brought about, in the opinion of the world's leading economists, by the institution of life insurance.

Richmond.

At a called meeting of the Richmond association, held April 22, the president reported the death of Col. Cunningham Hall, who was one of the charter members of the association in 1893 and served the association with marked ability and fidelity as its president for three years.

The following resolutions were unanimously adopted by the association:

"That in the death of Col. Cunningham Hall this association has lost one of its most valued and active members, who was ever in the forefront of every movement for the advancement of his profession of life insurance and the good of his fellow workers.

"That in his removal from our midst this association feels that this city and State has lost a citizen whose example is worthy of emulation.

"That this association attend the funeral in a body; that these resolutions be spread upon the permanent records of the association and a copy sent to the bereaved family.

"THE RICHMOND, VA., ASSOCIATION OF LIFE UNDERWRITERS.

"E. M. Crutchfield, T. Garnett Tabb, W. B. Freeman, A. P. Wilmer, S. B. Love, Committee."

At a meeting, held on the 4th inst., the principal speaker was Second Vice-President Hardwicke. Mr. Hardwicke explained the purposes of a Cincinnati Convention Club, and also discussed the possibilities for Richmond winning the 1916 convention. First Vice-President Samuel B. Love took up the question of the various trophies which are donated annually at conventions. Several new members were admitted.

Roanoke.

The Roanoke association held its regular April meeting in the Japanese tea room at Roanoke, with President Brooks Marmon as host. After luncheon there was a discussion on several matters in relation to the National Association and Mr. Marmon, who expected to attend the executive committee of the National Association, was instructed to convey to that body assurances of the association's hearty co-operation.

St. Louis.

The monthly meeting of the Life Underwriters' Association of St. Louis was held at the Washington Hotel April 21. The membership committee, having had a successful campaign for new members, submitted 73 new applications, bringing the total membership of the association up to 200.

A Cincinnati Club was organized in order that the association might have a large delegation to the Cincinnati convention, which meets in September. The local association means to secure the national convention of life underwriters for this city for 1916.

Under the able leadership of W. J. Bilheimer, of the Equitable Life, a most unique and novel entertainment was arranged, which opened with a pledge to Old Glory and the singing of America. Each member then gave the State or country in which he was born and it proved that 20 States and 3 foreign countries were represented in the association.

Good fellowship was the keynote of the entire meeting and it is certain that few members left without having met every other man present. The closing feature of the program was a mock court trial, The People vs. Life Insurance Agents, the case being "Resolved, That agents' commissions in life insurance should be reduced."

Music was also a feature of the meeting, which closed with a light luncheon. At the next meeting, to be held in May, the probable speakers will be the Insurance Commissioner of Missouri, Hon. Charles G. Revelle, and Presi-

dent DeBoer of the National Life Insurance Co. of Vermont.

The following telegram was received by President Bloome: "By direction of the executive committee in session we send our hearty congratulations on your remarkable record adding to your membership 73 new members at the meeting of April 21. Special announcement evoked the greatest enthusiasm among us all here and added inspiration to our work.

"ERNEST J. CLARK, President,

"National Association of Life Underwriters, New York City.

St. Paul.

Twenty members of the Minneapolis association were guests of the St. Paul association on the evening of the 4th inst. Ambrose Tighe was the principal speaker, and gave a review of the history of human life. Warren M. Horne, chairman of the National Committee on Education and Conservation spoke on the plans of his committee as finally decided upon at the recent meeting of the National Executive Committee. E. W. Randall, president of the Minnesota Mutual, spoke briefly on the improvements and discoveries in different lines during the last century, and stated that life insurance in its present form was one of the greatest improvements.

San Francisco.

A special meeting and dinner of the San Francisco association was held at the Hotel Stewart last month for the purpose of celebrating the completion of 50 years of continuous service on the part of John Landers as manager of the Manhattan Life and to compliment him upon his promotion to resident vice-president of that company. The speakers were George B. Scott, Hon. Warren R. Porter, A. D. Morrison of Chicago; W. L. Hathaway and Rev. F. W. Clappett. W. G. Taffinder presided. The following resolution, drawn by a special committee appointed by the association and beautifully engrossed upon copper, was presented to Mr. Landers:

"The San Francisco Life Underwriters' Association, recognizing in the official advancement of John Landers the loss of an active co-worker in the beneficent field of life insurance and desiring to testify to the high esteem and regard in which he is held, does hereby, on the completion of his 50 years of service as general agent of the Manhattan Life Insurance Company tender him its sincere felicitations and its best hope for long life and continued activity and records its opinion hereby that among the workers in the vineyard no single individual has labored more truly and honestly for the betterment and uplift of his fellow-men.

"The association also desires that these sentiments, expressed with the same sincerity, be tendered to Mrs. Helen Landers, his devoted life companion for more than 47 years.

"While the members of the San Francisco Life Underwriters' Association regret the loss of his active personal support, they recognize the imperishable effect on the association and its work, of his many years of effort in its behalf, his sincerity, his sweetness of nature, his kindly judgement, his optimistic spirit and his quiet generosity.

"That the record may be perpetual, we, a committee designated and appointed by the San Francisco Life Underwriters' Association, do hereby subscribe our names.

"FREDERICK WILLIAM CLAPPETT, Chairman.

"WARREN R. PORTER,

"W. G. TAFFINDER.

"San Francisco, Cal., March 14, 1914."

William L. Hathaway, Commissioner of the World's Life Insurance Congress, made the presentation and spoke in part as follows:

"I cannot imagine any greater honor that could be conferred on any man than to have an expression such as is engraved on this copper coming from the body of men with whom I have been associated throughout a long and active business life. * * * I think a great deal of thanks is due the committee planning these resolutions in this manner. * * * In behalf of this association, Uncle John, I take pleasure in presenting to you, for your future happiness, this token."

"Uncle John" Landers, in accepting the tablet and in

knowledging the felicitations and good wishes tendered him, said in part:

"Little did I realize that it was possible for me to reach the goal that I have attained in the profession of insurance and the goal I have acquired in your affections. I cannot find words to express my gratitude and thanks, not only to each and every one of you who have honored me by your presence, but to those who have sent me telegrams and letters of congratulation from all over the United States. I am simply overwhelmed at the reception that I have and am receiving from day to day from my kindred spirits and old friends in California. * * * Your kind sentiments have touched me keenly and I cannot say to-night how sincerely I feel at this reception. * * *"

At the conclusion of Mr. Landers' remarks, resolution was introduced by Mr. Scott, seconded by Mr. Hathaway and unanimously carried, electing Mr. John Landers to a life membership in the San Francisco association.

Prior to the dinner a short business meeting was held, at which the following six men were elected to membership: Walter C. Marr, Paul G. Hausman, Garner Curran, J. Allen Fiske, Raymond T. Hyman and George B. Shelton.

The following resolution was offered by Mr. Wann, seconded by Mr. Porter and unanimously carried:

Whereas, The President and directors of the Panama-Pacific International Exposition, recognizing the dominant factor which insurance played in the rebuilding of San Francisco to a point where it is now possible to hold a great exposition, have declared April 18, 1914, as "Insurance Day" and are issuing invitations to those engaged in the commerce of insurance and its allied professions to be their guests on the exposition grounds from 1 to 5 p. m. on that day, to hear and view an elaborate program complimentary to and commemorative of insurance achievements; and

Whereas, The Hon. Hiram W. Johnson, Governor of the State, has issued a proclamation in which he says: "In recognition of the part insurance companies have had in the rebuilding of San Francisco, plans have been made for a celebration on April 18 at the exposition grounds in San Francisco. It is my earnest hope that adequate expression will be given at that time to the confidence and good will so splendidly earned by those companies that met their obligations honorably and courageously in the hour of overwhelming disaster"; and

Whereas, The Hon. James Rolph, Jr., Mayor of this city, has also issued a proclamation in sympathy with the recognition of this day allowing it closely to insurance benefits; and

Whereas, It seems desirable that the entire insurance world should thoroughly understand the degree to which San Francisco insurance men appreciate these honors, be it

Resolved, That the Life Underwriters' Association of San Francisco heartily endorse the plans being prepared by the exposition officials for that day and pledge ourselves to, in the largest degree possible, individually and collectively, swell the attendance and enthusiasm of that occasion.

South West Virginia.

The regular monthly meeting of the Southern West Virginia association was held on April 27 at Huntington. The following new members were admitted: E. H. Hughes, Penn Mutual, and J. H. Riggs, Metropolitan. Amendments were made to the constitution reducing the annual dues of members other than general agents, managers and superintendents to three dollars and increasing the annual dues of general agents, managers and superintendents to \$10. Also providing that the regular meetings be held on the third Friday of each month, alternating between Charleston and Huntington. There was a discussion as to the proposed institutional advertising campaign of the National Association.

Syracuse.

With a little lively minstrelsy, enlightening talks on insurance matters, interspersed with popular songs and good fellowship, 90 members of the Syracuse association spent an

AVERAGE EARNINGS!

What was the average income of our producing force last year?

Will it show an increase this year?

Can we interest first-class men to come into our agencies with the present average income of our agents?

An analysis of the situation has led us to

Eliminate All but High-Grade Agents and to

Standardize Agents' Contracts upon the basis of Full-Time and Part-Time work.

Then Education Followed by a Real Agency Service!

Phoenix Mutual Life Insurance Company
OF HARTFORD, CONN.
JOHN M. HOLCOMBE, President

enjoyable evening at the tenth annual banquet at the Onondaga in the evening of April 28.

Rochester, Albany and Utica sent delegations and a list of notable insurance men, headed by Frank Hasbrouck, State Superintendent of Insurance, lent a double importance to the gathering. Besides Mr. Hasbrouck, the invited guests were:

Pancoast Kidder, Albany, first president of the Syracuse association; Charles W. Scovel, Pittsburgh, former president of the National Association; Winslow Russell, Hartford, Conn., and Rev. John Murdock MacInnis, pastor of the South Presbyterian Church.

From the time the underwriters gathered at the hotel, ex-

"What the Equitable Offers"

What the Equitable Offers is the title of a booklet listing in detail the many attractions and advantages of Equitable policy contracts.

While intended for the prospective insurer, it will interest any insurance salesman who is curious to know why Equitable policies sell readily, renew steadfastly and meet every conceivable need of all classes of insurers. A copy will be sent to any address on request.

The Equitable Life Assurance Society

of the United States

165 Broadway, New York

W. A. DAY, President

Trouble Proof are the Policies

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THE IDEAL OFFICE ASSISTANT

An employer hires a bookkeeper, stenographer or clerk to relieve him of—not to add to his cares.

He asks the same thing of his writing machine.

He wants it to "stand up," to do its work, to be reliable, quick to respond, ready for emergency or long continued work.

These qualities make the L. C. Smith & Bros. typewriter prominent in the typewriter world.

The ball bearings at all frictional points place it in a class by itself from a mechanical standpoint.

Viewed from the HUMAN angle, the operators of this typewriter do more work and are less tired at the close of the day. If you look into the matter closely, you can't reach any other conclusion. Send for free book.

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have been known to object to life insurance; widows never do. Every life which has any productive value is in a sense held by its owner in trust for the persons dependent on it. Living it may be able to fulfil the obligation. Only through life insurance can provision be made against early or unexpected death being in effect an act of involuntary bankruptcy.

This Company has an unusually complete equipment of plans, adequate to meet the needs of every person who wishes to provide through insurance for the protection of his dependents; for his own later years, or for the losses which may at any time overtake him by reason of accident or illness.

For brevity, clarity and freedom from restrictions, its policies are unexcelled.

For premium rates or other information address

The Columbian National Life Insurance Company

BOSTON, MASSACHUSETTS.

Arthur E. Childs,
President.

William C. Johnson,
Vice-President and General Manager.

hanged greetings and renewed acquaintances, until "Auld Lang Syne" was sung, there was not a break or a dull moment.

Some members of the association wrote parodies on popular songs, which were either built about some phase of the business or some member of the association. One after another these songs were sung to the accompaniment of an orchestra.

At the conclusion of the dinner the guests turned their attention to the platform at the rear of the hall, where nine empty chairs were arranged. At a signal from the orchestra each of these chairs was immediately occupied by as many members of the association.

These daring amateur minstrels were Charles H. Burrows and F. L. Wells, ends; W. G. Marot, interlocutor; Charles H. Stephenson, soloist; E. E. Purrington, F. W. Northrup, C. J. Kirkland, O. H. Bradley, G. R. Churchill, chorus.

Mr. Hasbrouck spoke briefly on the great change that had taken place in the insurance business. In the past 25 years, he said, it had developed wonderfully in every way.

"There are better companies," he declared, "a finer class of agents and the whole scheme of insurance, once a lottery, unstable, unsafe and distrusted, has become a solid, responsible and thoroughly reliable institution. Undoubtedly the State Department of Insurance has had much to do with this growth and improvement and will in the future continue to be the same important force.

"There is a feeling of confidence on the part of agents and companies in the department and it is to be hoped that this will be strengthened. The department and its officials will always be ready to receive suggestions and work for the interest of the men in the home office and in the field."

It was Mr. Hasbrouck's first public appearance since his appointment to the office and he was cordially received.

Mr. Kidder expressed pride in having been the first presi-

dent of such a flourishing organization as the Syracuse association. He referred to the many changes that had taken place in the city since he left six years ago and was glad to know that the association had kept pace with the general growth of the community.

Mr. Scovel, who attained popularity here as a result of his insurance lectures at the university, reviewed the establishment and growth of underwriters' associations.

"These associations," he said, "are working for the interest of the policyholder as well as for the companies and the agents. It is not only organization and unity, but the growth of public opinion within the profession, that has had such a notable result in cleansing and strengthening the business."

Texas.

The officers and committees of the Texas association had an interesting luncheon at the Oriental Hotel at Dallas on April 20 as guests of Orville Thorp, president of the association, at which time a movement was launched for a big rally of life insurance men to be held at Dallas on May 30. The executive committee addressed a communication to each member of the association as follows:

"The Texas Association of Life Underwriters will be one year old next month. The secretary of the National Association report to us that our association has done more effective work in the first year of its existence than any other association ever organized in the history of the National body. We should all feel proud of this record and should give the Texas association our undivided support in the future. Our work has just begun and with proper support in the future it will prove a lasting benefit to legal reserve life insurance business in Texas.

"There are many good life insurance men who have held back waiting for our organization to be tried. They wanted to find out whether this was really an organization that was

going to do things, or whether it was a 'flash in the pan.' This is a natural condition. However, now that our association is established and bids well for great work in the future, it should receive the approval and support of everyone connected with the life insurance business of Texas. This is not a one-man or one-company organization. We all look alike. We are all legal reserve life insurance men, irrespective of the company we represent. Therefore this work should be carried on by all alike, as we all receive the same benefits. You have been advised of the good work the association is doing. Detailed statements of the work have been published in various insurance publications, and especially in 'The Texas Insurance,' extract of which was mailed you about the middle of March.

"In order to start this work for the next year under favorable conditions, and with an enthusiastic support of approval behind it, the executive committee is arranging for a big rally of life insurance men at Dallas on May 30. A special committee on program and arrangements has been appointed. Arrangements are being completed with a number of life insurance men with national reputation, including all the officers of the National Association, to attend this big meeting. You are especially urged to attend. We also ask that you appoint yourself a committee of one to urge your many life insurance friends to attend this big rally.

"A banquet will be given at 7 o'clock in the evening, followed by an interesting business meeting. If you can be with us, sign the enclosed card and mail it at once. Any of your life insurance friends desiring to attend the meeting should address A. C. Bigger, 15th floor, Southwestern Life Building, for reservations at the banquet."

The Texas association is now thoroughly organized. It is an established organization, having for its purpose the advancing of the best interests of the cause of true life insurance and to bring those engaged in the business into more intimate and friendly business relations throughout the entire State of Texas.

Over 200 active agents representing about 40 different companies are now identified with this organization. It is hoped and confidently expected that during the next year this membership will increase to 1,000 active members. The association has devoted considerable time during the first year of its existence to clearing up the field of Texas and eliminating from the life insurance fraternity irregular work on the part of agents. Some very effective work along this line has been accomplished, and while the work is only just begun, a great good has already been rendered legal reserve life insurance in the State.

Topeka.

At a meeting of the Topeka association held on April 20 plans were made for a general campaign to increase the membership of the three local associations in the State. It is intended that the officers of the three associations shall send out letters to every licensed agent in the State calling

attention to the benefits which accrue from membership in a local association and suggesting that each agent join the association geographically most convenient to him.

There was a discussion as to the ethics of the employment of agents. Several of the members were of the opinion that a general agent should not employ an agent of another company until three months after he had severed his connection with the former company. There was some objection to this stand. President H. O. Garvey stated that it was not good ethics for a general agent to induce men to sever connections with other general agents. He declared that he had no hesitancy in telling an agent what he could do for him after an agent called upon him. A committee of three was appointed to draft resolutions on the death of Samuel E. Barber, who died recently. The committee is composed of Charles A. Moore, Equitable of New York; Henry H. Hall, New York Life, and J. E. Spaulding, North American.

The following resolution was passed:

Whereas, A just and All Wise Providence has taken from our midst our good friend and worthy co-worker, Samuel E. Barber, and

Whereas, For true friendship, genial good nature, loyalty, service to his friends, the State and the cause for which he labored, our friend occupied a position which few men can attain; therefore be it

RESOLVED, That we, the Topeka (Kan.) Association of Life Underwriters, realizing the irreparable loss to the profession which he so efficiently served, hereby express our sincere regret and extend our deepest sympathy to the bereaved family, his immediate associates, and his host of friends, and be it further

RESOLVED, That these resolutions be spread upon the records of our association and engrossed copy be made and delivered to the family of the deceased.

Utah.

George D. Adler, of the National Life of Vermont, was elected president of the Utah association at the recent annual meeting of that body. The other officers are as follows: George F. Eckstrom, of the Mutual Benefit, as first vice-president; D. H. Livingston, New York Life, second vice-president; E. F. Mills, Northwestern Mutual, secretary, and A. E. Denne, treasurer.

West Virginia.

The McLure grill in Wheeling was the scene in the afternoon of April 18 of the largest gathering of insurance men ever held in the State of West Virginia, the occasion being the regular monthly meeting of the West Virginia association, which had as its honor guest, Mr. J. M. Craig, actuary of the Metropolitan of New York City.

The meeting of the association was preceded by a luncheon served at 1:30 o'clock, covers being laid for about a hundred. Mr. George C. Crook, president of the association and local manager for the Metropolitan, acted as chairman of the meeting, and introduced Mayor H. L. Kirk as the first speaker.



"Hitch Your Wagon to a Star"

Translated from Emerson to insurance language means tie up with
A Prosperous and Progressive Company

Year	*New Life Insurance.	*Total Life Insurance.	Accident Prem'n Collections.	Cash Income.	Admitted Assets.	Act. to Exp. Mortality.	Aver. Int. Earned.
1908.....	\$17,820,609	\$100,593,679	\$835,181	\$5,633,124	\$16,100,073	58.96%	5.16%
1909.....	18,232,323	107,245,105	1,007,370	6,164,528	18,429,204	53.50%	5.24%
1910.....	17,986,641	113,882,634	1,276,820	6,750,765	20,765,188	63.90%	5.65%
1911.....	19,702,114	122,514,447	1,515,622	7,445,494	23,363,286	56.85%	5.81%
1912.....	22,378,787	133,309,014	1,739,392	8,199,096	26,243,005	62.28%	6.05%
1913.....	24,088,667	145,040,193	1,944,836	9,079,865	29,338,151	66.47%	6.15%

*Paid-for business.

HOME OFFICE: LOS ANGELES, CALIFORNIA

Mayor Kirk, in his usual happy vein, extended a most cordial welcome to the distinguished guest and to the out-of-town members. He expressed his own well grounded belief in life insurance and dwelt particularly on the influence of the institution in promoting the welfare of the people generally.

The next speaker was the honor guest, Mr. Craig, who took for his subject, "Industrial Insurance." In his opening remarks he stated that in June of this year he would celebrate his forty-eighth year as an insurance man, having commenced his career in 1866 as office boy in the office of the National Life Insurance Company of New York City. He spoke of the birth of industrial insurance and referred to the time when it was sneeringly called a "five-cent business." He had been present at its birth and labored in its behalf for almost half a century until now when industrial insurance numbered more than twenty-seven million policyholders or a little over one policy to every fourth man, woman and child in the United States.

Even in West Virginia, where towns are few and far between and not very readily accessible, the industrial companies have nearly two hundred thousand policyholders. He dwelt on this wide dissemination of industrial insurance as being calculated to promote habits of thrift among people of the lower stations of life, and pointed out the fact that many holders of \$5,000 and \$10,000 policies had gotten their initial lesson in the beneficence of life insurance at five and ten cents week.

In conclusion, Mr. Craig referred particularly to the work of the solicitor as being the important factor in the growth of the business.

At the conclusion of Mr. Craig's address there were short speeches by a number of local men, after which the meeting adjourned.

Youngstown.

The April meeting of the Youngstown association was

held in the evening of April 14 at the Y. M. C. A., supper being served at 6 o'clock.

The choice of officers for the year beginning on the first of June resulted in the election of E. V. Clyde, of the Pittsburgh Life and Trust, president; C. W. Hench, of the Pittsburgh Life and Trust, first vice-president; Lee Burt, of the United States Life, second vice-president; W. B. Randolph, of the National of Vermont, secretary, and Sam Hankins, of the State Life of Indiana, treasurer. The following were elected members of the executive committee: Messrs.

**AGENTS WHO REPRESENT
THE
PENN MUTUAL
LIFE INSURANCE COMPANY
OF PHILADELPHIA**

**HAVE AN INSURANCE CONTRACT
TO PRESENT WHICH IN THE SUM
OF ALL ITS BENEFITS IS UNSURPASSED
IT IS BEST NOT JUST ONE WAY
BUT BEST ALL WAYS
AND ALWAYS
BACK OF IT IS A SIXTY-SEVEN YEAR
REPUTATION FOR FAIR DEALING
WITH ALL ITS POLICYHOLDERS WHETHER
CONTINUING, WITHDRAWING, MATURING
OR DYING**

Land your prospect with this kind of policy—

—that offers many advantages in contract and in addition a net premium rate that will clinch the business.

If you are interested in selling more life insurance—write us today.

The Union Central Life Insurance Co.
OF CINCINNATI

JESSE R. CLARK, President ALLAN WATERS, Supt. of Agents

**\$10,000 Twenty-Payment Life,
Issued 1911, at Age 40**

Premium subject to annual dividends.....	\$398.90
Dividend at end of First Year.....	\$63.60
Reducing net cost for First Year to.....	\$335.30
Dividend at end of Second Year.....	\$66.90
Reducing net cost for Second Year to.....	\$332.00
Dividend at end of Third Year.....	\$70.30
Reducing net cost for Third Year to.....	\$328.60

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Myron Eckert, of the Travellers; F. B. Kearney, of the Michigan Mutual; H. W. Koons, of the Western and Southern; Lee Burt, of the United States Life, and R. L. Hartzell, of the Equitable Life. The new officers, while they do not take charge of the affairs of the association until after the May meeting, are already planning a big year for 1914-15.

The regular program for the meeting was the discussion of the subject of taxation, and the address of the evening was to have been made by the Hon. Oscar E. Diser, who, on account of a previous engagement, was unable to be present. In his absence R. L. Hartzell read extracts from a number of reports and addresses concerning the taxation of life insurance premiums. He said in part, to illustrate the excessive amount taken from the life insurance policyholders that, "This tax falls directly upon the policyholders, who pay it, and thus increases the cost of their insurance.

"The public is often told that these taxes do not affect the policyholder. Any tyro in economics knows that the consumer pays ultimately the expense of the business, but in the case of life insurance peculiarly, the policyholders must pay. Large numbers of the greatest life insurance companies are purely mutual, and in the case of these companies there is no one else but the policyholders to pay; other companies are strictly required to transact their life insurance business upon the mutual plan with restricted dividends to stockholders so that every loss or expense falls upon the policyholders. Even in the case of stockholders, no one ever heard of taxes being paid out of stockholders' profits, and no one ever will. All classes of companies are taxed alike, and an increase of taxes merely means an increase tax upon the policyholders."

A taxation committee consisting of Messrs. Hartzell, Hawkins and Hankins was appointed by President Eckert to further investigate the excessive tax levied in this State and see what remedy might be applied.

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Life Association News

OFFICIAL ORGAN OF THE NATIONAL ASSOCIATION OF LIFE UNDERWRITERS

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No. 10.

WHERE AND HOW TO SECURE APPLICATIONS DURING VACATION PERIOD

MONTHS OF JULY, AUGUST AND SEPTEMBER MAY BE MADE PROFITABLE BY AGGRESSIVE AGENT READY TO TAKE ADVANTAGE OF SPECIAL HAZARDS.

Farmers Prosperous in Summer, Roads to Isolated Localities in Good Condition—Bank Clearing and Dividend Disbursements, Together with Usual Casualties Incident to Season, Indicative of Great Opportunities.

By EDWARD A. WOODS, General Agent, Equitable Life Assurance Society, Pittsburgh, Pa.

Mr. Woods needs no introduction to the members of local associations, being well known throughout the country in the capacity quoted above and as vice-president of the National Association. In this article (copyright, July, 1913), he gives a score of reasons why business during the summer months should compare well with the other months of the year—and these reasons are all based on uncontrovertible facts.—Editor's Note.

Is it true that we must consider the summer months, July, August and September, poor months for business?

Of course, any agent can make July, August or September a poor month. Such an agent can, and generally does, make any other month a poor month. Such an agent, who finds the summer too hot, will also find the winter too cold. If he finds the farmers too busy in harvest time, he will find business men too busy in December. If he finds the roads too dusty in the summer, he will find them too muddy in the spring and the weather too cold in the winter to drive. Anyone hunting for excuses instead of results can find them in the summer time—and every other time.

Farmers Prosperous.

Why should the summer months be poor months? The principal industry in this country is farming. The farmer reaps his harvests, markets it and prepares to receive his money for it during the summer months. The \$9,000,000,000 derived from our crops is largely earned and paid out in the summer time. It is then when the weather is hottest and the days are longest that he works the hardest, from before most insurance men are up until sundown at night, six days of the week and by no means eight hours a day. Actual money is much closer not only to the farmer, but to the entire farming community in the summer months than at any other time of the year. When we say "farming community" we mean the towns and villages affected by crops and the money received from crops. In the winter and spring,

money, to these communities, seems far off; in summer it seems close at hand, almost cash. And it is always wholesome to remember that \$50,000,000,000 of our national wealth is in farms and this year's farm products, and that 10,000,000 persons are farmers—more persons are engaged in farming than in all other occupations combined.

It does not require any special pleading to show that the summer months should be profitable; it is not reasonable to suppose that when June, as a rule, is the best month of the year excepting only December, there is any good reason why business should necessarily suddenly fall off in July and August. It is the business of the shrewd salesman of any kind to find business and to discover opportune time for presenting his business to his various clients. There are, of course, classes of persons difficult to insure in the summer time, but there are numerous classes of persons who can be insured in the summer time better than in any other period of the year.

Transportation Better in Summer.

Transportation is better in the summer than in any other period. During many of the fall, winter and spring months many places are inaccessible, and many other places are at least uncomfortable, because of poor transportation and hotel facilities. In the summer time classes of persons can be reached because of open roads that cannot be so well reached at any other time; and the combination of being able to reach the rural communities just at the time when their money is coming in makes it exceedingly opportune for this class.

But the opportunity for summer business is by no means confined to the country districts. Consider in how many trades and businesses there is more activity in the summer than in the winter: Building is largely done in the summer time. Transportation is heavier in the summer. In the winter time much building, navigation and transportation is entirely closed down. Railroad excursion travel; many lines of business that have to do with recreation and with summer excursions, such as baseball, restaurants, summer hotels, ice cream places, drug stores, and numerous occupations that will occur to many, do their largest business in the summer. It is then they make their money and it is then that it will be most convenient for them to pay their first and renewal premiums upon life insurance. If we will but think of the many enterprises that are closed down in winter, we will realize how many are working hardest in summer.

Bank Clearings.

Bank clearings of the country show that the aggregate business of the country in the summer months is very great; for example, the total bank clearings of July are seldom exceeded by those of any other month of the year excepting only January, October, November and December, and neither in July nor August do they vary 10 per cent. from the highest record for the year. The dividend disbursements and interest payments made July first exceed those of any other month of the year with the possible exception of January.

Special Hazards.

There are special hazards about the summer time, and there are special reasons why certain classes should listen to insurance arguments in the summer time. Persons about to leave on vacations have often sought insurance for that very reason. Every year—and this year, probably, will be no exception—there have been death claims paid through this agency from summer casualties, on water or land, by railroad train or automobile, by persons drowned when bathing, upset in boats, and in various other ways during vacations. We paid ten claims from summer accidents alone in our single agency in 1911—five from drowning, four from automobile accidents, and one struck by lightning, and last summer we paid three claims from drowning. There are many illnesses due to summer heat and to various causes peculiar to the summer time. Indeed, summer is noted for high mortality from many causes.

Many persons coming home from vacations are particularly susceptible to insurance arguments. They feel well; they feel that the examinations can be passed at that time. Starting in a new work year, they perhaps come home with a resolution to start now to save, and the insurance argument comes in then most opportunely.

Many have more leisure to consider an insurance proposition in summer than any other season, who in the busy winter or spring season say that they will take it up when they have "more time." Long summer evenings furnish a good opportunity, in many appropriate cases, to present insurance to a man on his own front porch, surrounded by his family, or in the cool of the evening in his yard or garden, much more favorably than in a busy, crowded office.

The Vacation Bluff.

Some agents are really anxious not to see the prospect. Of course, in such a frame of mind it is very easy to find persons out or indisposed to listen. It is therefore very easy to persuade one's self that all one's prospects are on vacations. The idea that during the summer months the entire country is on a vacation is a delusion that only need to be referred to. Probably 98 per cent. of the people in this country work at least fifty weeks out of the year. Nor are all the vacationists away at one time, nor does the ordinary vacation extend over two weeks. Therefore, making full allowance for the prospects who are on vacations, there is an ample number at home, and an agent merely deceives himself by justifying his letting up in the summer on the ground that "all his prospects are on vacations." There come times, with some agents, when really they are thinking about one prospect, and because this man cannot be seen they justify themselves for doing nothing. The error here is that the energy of the agent is on a vacation and ought to be brought back.

Lack of Effort.

The greatest reason for any agent's small summer business is the lack of effort on his part. It is not suggested that we work through the summer without taking vacations. But it is particularly urged that each agent decide *now*, when and for how long and in what way he will take his vacation, and not charge the life insurance business with work during the summer time when he is really not working at all. If it is decided to take a vacation and be away one week or two weeks, work should be done up to the time one goes and should be commenced the day one gets back; and commenced, too, with the full knowledge that it takes some time to get back into working-trim, just as it takes some time for a train to start up after coming to a full stop. But the most insidious and vicious form of taking a vacation is when the agent pretends to be working, but with the idea that "this is summer time, anyway," and he is perfectly justified in coming to work late and in leaving early and in half "loafing;" and yet charges the life insurance business with twelve months' work out of the year. A shrewd man in every line of business will work hard while he is working and will rest thoroughly while he is resting.

THE PROFESSIONAL ASPECT OF THE PRACTISE OF LIFE INSURANCE.

Pronounced Tendency on Part of Home Offices and Field Forces to Maintain the High Standards Compatible with Professional Aims.

By Griffin M. Lovelace, Superintendent of Agencies, The Connecticut Mutual Life Insurance Co., Hartford, Conn.

This study was first read before the Honor Roll Meeting of the Connecticut Mutual last September. Mr. Lovelace has since carried his message to The Insurance Institute of Hartford and the local associations of Connecticut, Maine, Central Massachusetts, Western Massachusetts and Utica. Article copyright 1914. In view of the many claims that the solicitation of Life Insurance is conducted on a non-professional basis, it is refreshing to consider the other side of the question.—Editor's Note.

The possibility of interest in a discussion of this subject was suggested by the frequent references we see and hear to life insurance as a profession.

Only a few days ago an insurance journal contained a comment attributed to the vice-president of a prominent life insurance company which began with these words: "Life insurance is now commonly referred to as a profession."

Doubtless most of us—particularly those of us who are agency men in the field or office—have made similar references. Yet, in the same breath, we speak of life insurance salesmanship, though it is not common to consider salesmanship a phase of professional activity.

But we might easily point out respects in which professional men are really salesmen. After all, lawyers and physicians sell their services, and we know that of two lawyers or physicians who are equally competent one has a way of making his services satisfy better than do those of the other. The degree in which personality is injected into his methods, the manner of receiving the client and treating his case, the effort to please as well as to serve, the use of tact—so many of the salesman's means make of a professional man a business success when without them he might be a failure. Many a successful lawyer has been described as a good "business getter"; many a physician as a "man whose manner in the sickroom does the patient good." Such professional men owe a good part of their success to the fact that they make use of what we would probably classify under the psychology of salesmanship.

Nothing Incongruous in Discussion.

So we may be sure there is nothing incongruous in a discussion either of the "salesmanship aspect of the practise of law or medicine" or the "professional aspect of the 'practise' of life insurance." (I take the liberty of using the word "practise" since it is defined as "the pursuit of a profession or calling.")

It is the purpose of this paper to outline those characteristics which seem to give to the work of certain life insurance men something of a professional aspect.

It is not necessary to remind anyone that there is a distinct difference between a business and a so-called profession; that, aside from the special education involved in training for the "professions," the term "profession" implies certain qualifications, a certain natural fitness or aptitude for the work to be done, together with a natural inclination to such work, and a conviction that one can render service of a high order. We do not expect a man to engage in a mercantile or manufacturing business for any other reason than that he believes he has an opportunity in such an occupation to earn a substantial living. We do not even expect a man to engage in such a business because he has selected it as the one which he likes better than any other. We know that, ordinarily, the choice of an occupation or a business is largely a matter of chance. A young man beginning his business life usually

takes the best position that is offered to him. He may consider, with almost equal inclination or satisfaction, the offer of a position in a rubber goods factory or a position as a clerk in a real estate office. What the average young man is chiefly interested in, in making his choice, is to select that position which offers him the greatest opportunity to succeed; the chief measure of success, in his mind and the minds of others who may advise him, being the financial profit, present or future. To be sure, he may be somewhat influenced in deciding between two or more positions by his preference for one business over another. He may consider it more dignified to be engaged in the manufacture of automobiles than in canning vegetables; but, after all, the chief consideration would unquestionably be, in most cases, the opportunity to make money.

The Actuating Motives.

On the other hand, there can be no doubt, I believe, but that the average young man who considers entering a profession is largely actuated by other motives. While we do not expect the young man of professional ambitions to be unconcerned as to his financial prospects, unless, perchance, he contemplates entering the ministry, we should, nevertheless, probably be shocked to hear a young man say that he was taking up the study of medicine because he believed he could make more money at that than at anything else. There can be little doubt but that the average young man who takes up medicine, or law, or even engineering, is particularly actuated by a feeling that he would make a better doctor, or lawyer, or engineer, than anything else; that he is by temperament, inclination and mental bias better qualified to do well the things which would be entrusted to his care as a member of a certain profession than to follow another occupation.

It seems to me, ethically speaking, entirely proper for a man to engage in the "selling" of life insurance for the same reasons which would prompt him to undertake to sell shoes or hardware—simply because he believes that life insurance offers him the best opportunity available for profit and advancement; for the public, including our agency novitiates, do not realize the inherent professional qualities characterizing life insurance work, as they do in the case of the long-recognized professions. Yet understanding, as we do, the true character of the institution of life insurance and knowing what is required of the conscientious agent, we cannot entertain a very good opinion of the man who, after a reasonable experience as an agent, is not actuated, in a considerable degree, by higher motives in inducing men to insure and in assisting them to select the contracts and forms of settlement which best safeguard their interests. As the conscientious agent's knowledge of life insurance and of his obligations to clients is enlarged he will abandon what we may call the strictly commercial view of the business for the professional one.

"Profession" Defined.

A profession is really a calling; to use the Latin derivative, a vocation from *vocare*, to call. Adopting the literal meaning of the word, we may say that, in general, the man who embraces a profession feels himself called by his peculiar mental attainments or inclination to follow a particular career.

Originally, the term "profession" applied only to the three learned or liberal professions—medicine, law and theology. But of late years the word has taken on a much broader meaning, as we see from the following quotation from the Century Dictionary: "Specifically, a vocation in which a professional knowledge of some department of science or learning is used by its practical application to affairs of others, either in advising, guiding or teaching them, or in serving their interests or welfare in the practise of an art founded on it. Formerly theology, law and medicine were specifically known as 'the professions'; but as the applications of science and learning are extended to other departments of affairs, other vocations also, receive the name. The word implies professed attainments in special knowledge, as distinguished from

mere skill; a practical dealing with affairs, as distinguished from mere study or investigation; and *an application of such knowledge to uses for others as a vocation, as distinguished from its pursuit for one's own purposes.*"

Clearly, the modern conception of a profession is of an occupation the purpose of which is service to mankind. In a broad sense, the word "professional" may be applied to nearly every occupation in the sense that one's attitude toward his business may be professional or purely commercial, according as one is actuated, in the prosecution of his duties, by the professional or by the commercial spirit. It would be folly to contend that in the practise of life insurance, or even the learned professions, one's conduct should be in no degree commercial. The necessity for living comfortably and for doing one's duty in the proper support of one's family makes it obligatory upon even the professional man that he be a good "business man"; but it is obvious that the true professional man's, personal or commercial interest must always be secondary to the interests of the client he serves—that he would not advise a transaction which would be less favorable to his client than another in order to increase his own compensation. A lawyer who would counsel a circuitous procedure in order to increase the size of his fee is not truly a professional man; nor is the physician who prolongs the period of attendance on a patient beyond what he honestly considers necessary. The professional man's chief thought, always, is to advise, guide and serve his clients in their highest interests to the extent of his ability.

The Idea of Service.

The finest tendency in modern business is the extension of the idea of service. While it is probably true that keen competition is the chief cause of this tendency, nevertheless the effect of service, whatever the original reason for it, is to quicken the business conscience and give to many lines of business something of a professional atmosphere.

But what is the professional aspect of the practise of life insurance? We must consider the character of the business, the attitude of mind of the agent and his acts in the service of his clients.

First, the character of the business: Let us recall the dictionary's phraseology—"A vocation in which a professional knowledge of some department of science or learning is used by its practical application to affairs of others, either in advising, guiding or teaching them, or in serving their interests or welfare in the practise of an art founded on it." This describes accurately the work of the trained life insurance field man.

Vocation of Great Merit.

It seems to me that a profession must be a vocation of great merit, based on some sound theory of usefulness to man and capable of being maintained on a high moral plane. When medicine or the law is used to the hurt of man, when they are not maintained on a high moral plane, they cease, it appears to me, to fall under the classification of professions; the shyster lawyer, the quack doctor are not professional men. Clearly, the institution of life insurance is founded on a sound theory of usefulness to man, and can be maintained on a high moral plane. As in the original professions, the purpose of life insurance is altruistic, not in the sense of being philanthropic, but, in a more etymological sense, altruistic in that it involves service for the benefit of others. Life insurance furnishes a means by which a man may guarantee the fulfilment—against the event of his death—of *his natural duty to his family and his social obligation to his fellow citizens* to care for those who are dependent on him. (The man who fails to support his family while alive must answer to the community. Clearly, his responsibility to the community for the protection of his family does not cease, morally speaking, through his death, any more than does the responsibility to his family. At some time in the distant future it may also become a legal responsibility and life insurance be required by law. In Germany, as we know, industrial life insurance is already compulsory by law.)

Life insurance is an institution through which men of the

present generation, rich and poor, may bind themselves together in a common act for the economic welfare of the generation to come. If every man in the United States carried insurance to the limit of his ability to pay premium there should be practically no poverty in the next generation.

Life insurance encourages thrift, provides a competency for old age, furnishes a bulwark of safety to individuals and corporations in time of stress; and, not to multiply the illustrations of the ways in which life insurance is beneficent, is every way qualified to be considered worthy of the efforts of the man who seeks a *professional opportunity—an opportunity to make a single effort serve two great purposes—to furnish him and his family a living and to serve his fellow citizens.*

The Agent a Teacher.

The business of life insurance is of a professional character in still another respect. The agent is a teacher—a teacher of the principles of a great economic institution—an institution founded on science, maintained by the joint efforts of men of all conditions to their mutual benefit, individually and as a community, and yet not fully understood or appreciated by the uninitiated, and even by many who have been induced to participate in it. Nearly everybody has, at best, a vague idea of what life insurance is; and, without the constant effort of the agent to teach its principles, the need of it and the scientific necessity for early action in securing its protection, the sum total of the practical knowledge of life insurance to say nothing of the results to the community, would be infinitesimal as compared with what has actually been accomplished. So much for the professional aspect of our work and it is inherent in the character of the business.

Second, the attitude of the agent: Here lies the fork in the roads. One leads to a commercialization of life insurance, often the exploitation of the public for personal gain or self-aggrandizement; the other to a service, unselfish and beneficent, yet remunerative—professional in the full sense of the word.

Meeting the Requirements.

It is obvious that the principal function of one engaged in any of the original three learned professions is to give counsel in matters of law, medicine or religion. In this respect the practise of life insurance is quite similar, since the chief function of the life insurance agent, in serving his client, is to advise him as to the best way in which to protect his and his family's interests through the instrumentality of life insurance. Therefore, knowledge of the technical phase of life insurance, as related to field work, is, of course, fundamental. The professional agent cannot be content to possess only superficial information. It is his duty to know thoroughly the various phases of life insurance and its practises, and to be able to determine, by investigation and careful consideration of the conditions surrounding each case, what contract provisions offered by his company will best meet the requirements. The highly technical character of life insurance contracts makes it incumbent upon the professional agent to earnestly seek and study the most effective and lucid methods of presenting his recommendations, in order that the purpose to serve well may not be defeated by failure on the part of the client to thoroughly understand the information and advice given. The professional aptitude applies not only the knowledge and ability, but also the desire and purpose, to advise to the advantage of the client in a wholly disinterested way. It seems to me that the *keynote to the correct professional attitude in law, medicine or life insurance is sincerity*, a quality of character belonging to the genus honesty. Man is the highest type of the genus animal. So, too, *sincerity is the highest type of honesty*. Mere honesty is required by law but there is no law by which sincerity may be enforced or the violation of it punished; and yet, I dare say, our net losses economically resulting from insincerity in general business negotiations are as great as the net losses caused by statutory dishonesty. Sincerity marks a man, morally speaking, as a thoroughbred. The true professional man is wholly sincere in all his representations and counsels to prospects and clients. It is his chief aim to serve the people who repose confidence in him according to the Golden Rule, to the best of his know-

age and ability and as he would wish to be served were the relation of adviser and client reversed.

A consideration of the true professional man, whether he be legal, medical or life insurance adviser, must also take into account pride in his professional skill and in the esteem which he is held by his clients, his professional colleagues and the community at large, as an exponent of his profession. The true professional man strives not merely to gain, but especially to deserve confidence; and there is, obviously, a good distinction between the gaining and the deserving of the trust of those with whom we have business or professional relations.

A Confidential Relationship.

Because of the intimate character of the affairs treated between counselor and client, the professional man occupies a very confidential position. We know that such a relation exists between the professional life insurance agent and his clients, and it is doubtful if any other business adviser, even an average lawyer, learns more of the intimate details of a man's personal and family affairs, or has so good an opportunity to assist in the devising of means to safeguard their interests. This confidential relation is another strong feature of the professional aspect of our business, and the agent who violates confidence of this nature is guilty of conduct as reprehensible as would be the divulging of private information secured by the physician or lawyer, who is legally bound to professional secrecy.

Third, the acts of the agent: So high are the standards set for professional men that they really involve character. A man's acts reveal his character. Whatever may be the intellectual attainments of a physician, lawyer or life insurance agent-adviser, however thoroughly he may claim to be ethically correct in his attitude toward his profession, we can judge, by his methods and the kind of advice he gives, whether his attitude is really a commercial or professional one.

Diagnosis the First Step.

The commercial methods of salesmanship may be observed in any retail shop. But how similar are the methods of some non-professional life insurance agents! If the prospect suggests an ordinary life policy or a 20-payment endowment and the agent furnishes it, without knowledge and discussion of the client's needs, his action is not materially different from that of the grocery clerk who hands out soap when requested. It is essential to get business promptly; as we said above, the professional man must also be a good business man; we must never lose an opportunity to get our man examined. It is professional to ask the company to issue any form of policy before we have satisfied ourselves that this form of policy is the one that will best serve our client's requirements? The facts in the case may indicate a very different contract. There are men who are influenced in a careless choice of their life insurance by what some friend has said of his policy; but, while it may be all right to buy articles of commerce because they have served our friends well, it is clearly an unwise practice for a man to select a certain life insurance policy merely because a friend has recommended it. Such a course is almost as foolish as it would be for a hay-fever sufferer to take a remedy found effective and recommended by a friend to whom it had been prescribed for indigestion. *Diagnosis is the first step of any professional adviser.* We could not think very highly of the physician who, if a patient could complain of rheumatism, would furnish a prescription for the relief of rheumatism without first determining whether the patient really had rheumatism, or neuritis, or some other ailment. It is unnecessary to ask whether you would consider such an act professional. Of course, a great many men try their life insurance under pressure or persuasion of the agent, and, in a large percentage, perhaps in the majority, of cases, take what the agent proposes. In a great measure the client is in the hands of the agent, as he is in the hands of his lawyer or his physician. I am sorry to say that there are agents who make it a point to exploit contracts which pay the largest commissions, irrespective of the needs of their clients. I know an agent who says, frankly, "I shall sell the

policy that nets me the most money." Clearly, this agent is not actuated by the purpose of service; he thinks only of himself. He consoles himself with the argument that all policies are good and give a man his money's worth. Indeed, they are all good, but no one policy will best meet the requirements of all clients any more than the same last will fit every foot; and *if a man buys a policy which does not best meet his needs, then he does not yet get his money's worth.*

The professional agent studies his client's case as carefully as does the conscientious lawyer. He gets at the material facts—the beneficiaries to be protected, their ages, their condition, the prospect's estimate of what he considers an adequate income to be produced for each (no matter whether the insurance is to be settled in a lump sum or in instalment or interest payments), and any other information he may be able to obtain which will help him to formulate a plan suitable to his client's needs. His thought all the while is not "How much can I make out of this?" but "How can I do a good job?" His whole effort is directed to a sincere effort to give each client as nearly a perfect fit for his case as possible.

Making Everything Clear.

The professional agent is not content with merely making a sale. He sees to it that his client knows what he is getting. He realizes that few men fully understand the highly technical details of a life insurance policy contract. As a good business man he does not, of course, violate a rule of salesmanship by talking his client out of a favorable decision in his zeal to tell all he knows; but if the opportunity for a thorough discussion of all the points involved does not come before the transaction is closed, the professional agent seeks an opportunity, on delivery of the policy or afterwards, to make everything plain.

Every step in the sale of a policy by a professional agent is characterized by a positive effort to give adequate and disinterested service.

We should note another characteristic of the genuine professional man. His faith in the power of his profession to serve vital interests of men inspires in him an enthusiasm for his work, which is a potent factor in his success. Enthusiasm, zeal for the extension of the benefits of one's profession characterize the professional physician, lawyer, life insurance agent. It is inconceivable to me that a serious life insurance man of even moderate experience can fail to catch this inspiration. It makes a keen pleasure of hard work.

The Full Time Agent.

The adjective "professional" used as an antonym of "amateur" deserves consideration in this discussion in connection with the question of "personal efficiency" or "professional skill" referred to above. By a professional artist, for example, as opposed to an amateur, we mean, of course, one who plies the brush or modeling tools for a living rather than for mere pleasure or pastime; and since persons who earn their living by art or business naturally devote more time to it and consequently attain a greater degree of skill than amateurs, the word "professional" is now much used colloquially to express efficiency. I like very much and frequently use the term "professional life insurance agent." Obviously, that means not only an agent whose attitude and acts are professional in a broad sense, but also one who gives his entire time to life insurance and who has attained a high degree of technical skill through an energetic and persistent practise of his profession.

I submit that we are not inclined to rate very high the services of any so-called professional man unless he devotes his entire time, concentrates his thought and applies his best energies to his daily practise. We feel that he has not really qualified as a professional man until he is doing things worth while, and it is obvious that the doctor, or lawyer, or life insurance agent who does not acquire an extensive practise cannot command confidence in the same degree as does the man who is working hard at his profession and constantly

achieving results. When we employ a lawyer we prefer one whose counsel stands the test of the courts from day to day; we want advice based on experience, not mere theory. Before entrusting our health or the health of our loved ones to the care of a physician, we select a man who is known to be, every day, showing men, women and children how to get well; he commands our confidence and gets our call. So, too, people prefer to do business with the life insurance agent who is known to be daily putting his profession into practise effectively. While there are, of course, exceptions among part-time agents, as a rule, I should for this reason prefer advice in insurance matters from a full-time agent rather than from a part-time man. High efficiency can only be maintained through constant, close application to one's business. Efficiency results from knowledge and skill, both of which are acquired and maintained through experience. Not only must the true professional man possess special knowledge and make high service his guiding principle, but he must work hard to maintain and increase his efficiency, if he would give the best service and rise to prominence in his chosen profession. Constant, high-tension work keeps the mind alert, maintains interest in one's duties, inspires admiration and confidence in the minds of clients, and achieves results; and good results increase confidence in one's self, stimulate pride in one's work, give the joy that springs from the sense of success and mastery. It is not enough to be merely capable and disinterested. No professional reputation was ever founded on these only; no high position ever attained, no great esteem ever won through those alone.

The Worker.

However great the intellect, however high the technical attainments, however ethical the attitude, however strong the desire to achieve and serve, no professional man ever won distinction solely through these factors of success. These may be the bricks, the mortar, the wood, the metal, with which to build the structure, but without work the edifice can never be completed. If you want to win for yourself a high position in life, build a reputation as a successful professional man in your chosen field of endeavor; if it means anything to you to establish a name for your family to be proud of; if you would make and eventually leave an impress of strong character and forceful enterprise on the community in which you live; if you would be a leader in the life insurance profession in your community, as men are leaders in other professions, you must be a worker—a constant, indefatigable, enthusiastic, purposeful worker. Stop and think of the successful professional men in your town. Are they idlers or workers? Do they work spasmodically or regularly? The answer is obvious. The man you look up to in your town, whom you admire for his achievements, whose reputation is high, whom you may have envied for his position in life—whether he be doctor, lawyer, engineer or life insurance agent—is a man who has worked long and hard. Talents do not insure success. It is only the faithful improvement of them that brings position, reputation and wealth; and they may be improved only through work—patient, persistent, courageous work.

Self-Made Men.

We often speak of "self-made men," meaning usually men whose parents were unable to give them a thorough education or to help them through influence. As a matter of fact, every truly successful man is self-made. It's the only way. Of Napoleon, Lincoln, Bismarck, Pasteur, Gladstone, Edison, only two of them have been self-made, in the usual meaning of the word. Yet these men have all risen to greatness only because they have worked unceasingly for some great purpose.

The tendency in life insurance field work to-day is distinctly professional. The idea of efficient service to policyholders pervades home office and field, and to this end both are bending their energies in a concerted effort. Home offices are doing more than ever before to really educate and train the field and more than ever before the field men are trying

to acquire the knowledge and experience which will qualify them for efficient service. Home office and field are united more than ever before in an effort to maintain the high standard of personal character compatible with professional achievement. Not only is there a conscious effort to raise the standard of professional skill among present agents, but also to increase the requirements for any new agency representation. In both home office and field it is realized to-day more than ever before that, generally speaking, it is only the entire-service man who can be expected to develop into a professional life insurance agent. Perfection in these matters is, of course, unattainable, and yet we know that both home office and field have their wagons hitched to that star, seeking two keys of success, the ideal success which, as President Eliot of Harvard has said, is "service rendered" and that material success which is the inevitable result of professionally efficient methods and steadfast, daily labor.

Plans for the Cincinnati Convention Well Under Way Central Location Assures Large Attendance.

The Cincinnati association has made rapid progress in planning for the entertainment of the delegates, alternates and guests who will attend the Twenty-fifth Annual Convention of the National Association, which is to be held in Cincinnati on Sept. 15, 16 and 17. On Tuesday, Sept. 15, there will be a luncheon for the ladies and in the evening of that day there will be a reception and ball. Hitherto for a number of years the afternoon of the second day of the convention has been reserved for some form of entertainment by the local association.

However, in view of the ever increasing amount of work which comes before the convention, the Executive Committee at a conference held prior to the mid-year meeting of the National Executive Committee, decided that it would be necessary to devote the afternoon session of the second day to the regular business of the convention. Therefore, immediately following the afternoon session of the second day there will be a boat ride on the Ohio River and supper will be served on board. On Thursday evening the annual banquet will be held at the Gibson House. Special arrangements have been made for the entertainment of the ladies, among the features arranged for is an automobile ride about the city. The special sub-committees which will attend to these details of pre-convention activities are as follows: Finance committee, C. J. Stern and E. R. Ferguson; souvenir committee, A. F. Sommer and John L. Shuff; reception and boat ride, M. W. Mack, W. A. R. Bruehl and A. F. Sommer.

It is believed that the attendance at this convention will compare favorably with the number present at Atlantic City last year. There has been a remarkable increase in membership of local associations, which would naturally swell the ranks of delegates, alternates and guests. Other than Cincinnati, the city is centrally located, and although it is not generally known, the city is about 100 miles from the center of population of the United States. It is within a 24-hour ride of 65,000,000 people, 18 hours from New York, 18 hours from Canada, 26 hours from the Gulf of Mexico, and 48 hours from the Rocky Mountains.

President J. M. Bloodworth, of the St. Louis association, visited Cincinnati recently, and stated that in all probability the St. Louis association would travel on a special train, and that he confidently expected an attendance from his local body and other nearby points of at least 100 underwriters.

He loved the anvil chorus,
Each day his hammer raged—
Loudest of all the knockers,
Look where they have him caged!

—Judge

PUBLIC OPINION OF LIFE INSURANCE COMPANIES MOULDED BY THE AGENT.

the Life Insurance Business Now Bears the Stigma Which So Many Unthinking Men Attach to It and the Remedy.

By Thomas L. Fansler, General Agent, Northwestern Mutual Life Insurance Co., Philadelphia, Pa.

Mr. Fansler looks at field conditions straight in the face. He does not blame the public, which has been exceedingly patient, but points an accusing finger at the Life Insurance Politician—the mere business man. The remedy he suggests is the elimination of the man who places a higher value on commissions than upon honor.—Editor's Note.

Public opinion is the predominant sentiment in a given community on any matter of general concern or interest. This sentiment is created, perhaps unconsciously, but certainly by personal contact of one citizen with another in the routine ordinary business or social life. Mr. Lincoln once made the statement that public opinion on any subject always has a "central idea" from which all its minor points radiate. If this is correct, it is most important that we should know what the public regards as the "central idea" in life insurance.

The medical profession is held in high esteem by the public because it has as its great "central idea" the alleviation of suffering and the prevention of disease by the spread of intelligence and the betterment of the sanitary conditions under which the people live. In every city and town the banker is usually regarded as one of the foremost, if not indeed the leading, citizen. Why? Because the great "central idea" in the commercial activities of every community is confidence, and the banker knows right well that the success of his bank depends—not only upon the efficiency of the management on the inside—but especially upon the degree of public confidence to create and maintain on the outside. What is true in the instances cited warrants us in the broad statement that public opinion on any question under discussion will be determined by the representatives of that particular interest.

Company Known by Its Agents.

There is an old adage which says: "Tell me the kind of company you keep and I will tell what you are." I want to phrase this a little and say with all the emphasis at my command that a life insurance company is known by the agents it keeps. In any given community an insignificant company, as far as size is concerned, may stand in the very front rank if its representative is a man of sterling qualities and in whom the people have absolute confidence, while in some community a really meritorious company may be in great disfavor because its agent is untruthful, dishonest or in his personal life. Let us be very frank in discussing this topic. We cannot afford to hurry over it. There are several vital questions which may be asked and should be answered. Let me put three questions and I will ask the association to help answer them:

What is the public attitude toward life insurance, and especially the life insurance agent?

Who is responsible for this condition?

How can we remedy it?

Question one—It is easy to say that life insurance never was so popular and so much appreciated by business men as it is today. I think that is true, and it is true because there never were so many honest, well trained, conscientious field workers as are now engaged in the business. But the process of elimination has not gone far enough. Recently two men from the life insurance association undertook to get an expression from the business men of that city of their estimate of the life insurance agent. They sent to a large number of the leading citizens several questions, with request for full and frank answers. These questions were:

1. Is the average life insurance agent welcome to call upon you?

2. Have you a favorable impression of the manner in which life insurance is sold in your city?

The result of this inquiry was that about 30 per cent. of the leading lawyers, physicians, bankers, merchants and manufacturers were not favorably impressed either with the agent or his methods of doing business. One prominent manufacturer stated that in his opinion 75 per cent. of the agents in Syracuse were not qualified to render intelligent service. If we take this man's opinion as representative we may conclude that the public regards service as the great "central idea" in the life insurance business.

Dignity and Life Insurance.

Last year Meredith Nicholson wrote a book, to which he gave the unique title, "Otherwise Phyllis." The book contains some interesting characters and, as usual, there is one, "the black sheep of the flock," who, after wasting his inheritance, disgracing his family, disappears and is not heard from for 16 years. He finally returns to the home town and, after being questioned as to where he had been and what he had been doing, is made to say: "In five years I had played in all my chips and had to sneak around office buildings trying to sell life insurance, which wasn't dignified nor becoming in a member of the haughty house of Holton."

Further on in the same story, in speaking of another member of the Holton family who had been unfortunate in business and found himself in reduced circumstances, the author uses these words: "Not much left for Will now but to go out and hustle for life insurance; the common fate of inglorious failure."

I ask you, gentlemen, how long must the life insurance business bear the stigma which so many unthinking men now attach to it? It is for us as members of this association to answer. Is this great institution of life insurance dependent upon the man who sneaks around from office to office, or upon the one who has made an inglorious failure of everything else, to perpetuate its usefulness to the people? I say no!—a thousand times no!

Question two—Who is responsible for this condition? I do not hesitate to say that the trouble is not wholly due to the field force. Whatever trouble or discord there has been or may be in the life insurance business to-day arises from a lack of faith and mutual confidence among life insurance companies and life insurance agents. Too long we have been standing over against each other instead of standing by each other. The insuring public might well ask: "Oh! companies and agents, how long will you continue to abuse our patience; how long will you trifle with our confidence?"

Public Exceedingly Patient.

The public has been exceedingly patient. In no other business in the world would there have been such patience with, or confidence in, an enterprise in which there has been such constant and often unscrupulous warfare as has prevailed in this business. We have played politics too long with this great trust committed to our keeping. I read some time ago a comparison between a politician and a statesman. A politician was described as a man who studies events and conditions as they relate to, or may influence, the next election. The statesman is one who considers events and circumstances as they relate themselves to, or may mould, conditions for the betterment of mankind in the next generation. Let us get rid of the life insurance politician, the mere "business getter," whether at the home office or in the field force, and put in his place the life insurance statesman, who can and will follow a conservative, constructive policy of "insurance building."

The third question—What is the remedy? First a real genuine desire and determination to clean house. This housecleaning should begin at the home office and should not stop until the house is put in order. Any home office management

which will sacrifice a principle for an ethical expediency is not the kind of management to whose care the funds of widows and orphans can be safely entrusted. Companies must remember that safety is more important than size; that men are of more value than money; that every policy that goes out from the company should bear the signet of honor and the seal of fidelity.

That such contact means to the beneficiary at some time in the near or distant future a guaranty against want; it means home and education and an equal chance in the race of life. These sentiments are not inconsistent with the highest official ability. As a final word—there should be in our several agency managements a sifting of the wheat from the chaff. We want no man in our agency force who would not rather miss a sale than to swerve an iota from the truth. We want no man to represent us who does not draw a sharp distinction between business building and business getting. We want no man among our salesmen who places a higher value upon commission than upon honor.

We are working along the line and to the end that the life insurance business in this great field of Philadelphia is big enough to welcome to its service all who believe that "there is nothing finer in life than truth and nothing baser than a lie," and if we would secure the durable satisfactions of life they must be built upon character.

President Hegeman of the Metropolitan Acknowledges Receipt of Message Sent to Him by National Executive Committee.

At the banquet given to the members of the National Executive Committee by the Metropolitan Life Insurance Company on April 21, Hugh M. Willet, chairman of the committee, suggested that a message be sent to President Hegeman, of the Metropolitan, expressing birthday congratulations and good wishes and the high esteem in which the National Association held that gentleman. The response was most enthusiastic and the members signed one of the menu cards as a round-robin of greeting to be forwarded to Mr. Hegeman.

Mr. Hegeman in a recent cablegram to Haley Fiske, vice-president of the company, makes reference to the message sent him at the request of the National Executive Committee, and states that he desires to express his sincere appreciation. He received first the cable message and later the round-robin signed by the guests, together with an account of how enthusiastically the proposition to send the message was adopted. Mr. Fiske states that Mr. Hegeman desires him to tell the members of the association how valued the tributes are; how dearly he will treasure the round-robin which came nearly 4,000 miles with its message of comradeship; how highly he appreciates the honor conferred upon the company by the acceptance of its invitation to a function which, to Mr. Hegeman and his associates, has come to have the significance of an annual national holiday. Mr. Hegeman also desired that the members of the National Association should feel that the latchstring of the Metropolitan's doors is always open and any member of the association when he comes to New York will always be welcomed.

"I have," said Mr. Hegeman, "most cordial sympathy with the members of the executive committee of the National Association in their work, and most hearty desires for their prosperity, collectively and individually."

Strike off these dates on your calendar, September
15, 16 and 17.

WHY NOT "BRIGHTEN UP"?

An Idea Very Essential in Life Insurance Soliciting
One Overlooked by the Ordinary Agent.

By Hubert H. Ward, General Agent Pacific Northwest,
Pacific Mutual Life Insurance Company.

Mr. Ward has made it necessary that we give a considerable amount of gratuitous advertising to certain paint company, but the word picture he paints makes adequate compensation. The "Grouch," is always a failure; hence the necessity to "BRIGHTEN UP."—Editor's Note.

It is almost impossible nowadays for one to take a rail journey without seeing large billboards along the rail tracks with the words "Brighten Up! Sherwin-Williams Paints Cover the Earth." There is a little sermon for insurance agents in this sign. Do you, Mr. Agent, find Those signs of the Sherwin-Williams Co. are good advertising. They will make the average householder stop and think and wonder if his house and barn need a new coat of paint. For some years I sat on a board in Cleveland with a member of this firm, and it is an education to come to know something of their methods of doing business. Cleveland originated the "Brighten Up" idea for employes of manufacturing plants, with such innovations as shower bath, serving hot coffee with lunches, having lunch rooms, etc., and this idea started in the Sherwin-Williams Co. In other words, before they told the world at large to "Brighten Up" they "brightened up" themselves—a very great essential in life insurance soliciting and frequently overlooked by the ordinary agent.

Now, Mr. Agent, as you go about soliciting life insurance you find many men who impress you probably with the thought that they should "brighten up." Some of those you meet are perhaps down in the slough of despond over business and need to "brighten up." Mr. Agent, are you like the average run of mankind? Do you want to see the other fellow "brighten up" and not start the game yourself? In other words, suppose—providing you have the thought that some of your prospects ought to "brighten up"—suppose you "brighten up" yourself first, and then you will be in a better position to help them.

Try it systematically and continuously. Let your smile "cover the earth"—at least that particular part of the earth where you happen to be soliciting life insurance. If you will do this, and if you will work the "brighten up" idea for next month, I will predict that each one of you will double your volume of business and double your number of applications.

The Sherwin-Williams Co. is the largest paint manufacturing concern in the world, with several manufacturing plants in the United States and Canada, and with headquarters at Cleveland. They claim to make the best paint on earth. I know they make a mighty fine paint. If their paint was poor the "brighten up" part of their ad would fall flat and they could not truthfully say that their paint "covers the earth," but they make a good paint. In other words they follow up their ad with results. In order to make good paint it is essential that they have, first, good materials; second, a good process, and third, good workmanship. If they were weak in any one of these three requisites their paint would not be what it is, but it is my belief that they

usually strong in all three. They pay good attention to at third requisite, and they know that in order to have good workmen, those workmen must have contented minds, they must be happy. They know that a workman cannot do good an afternoon's work on a cold lunch eaten on a bench when he can after having had a cup of hot coffee and a dish of hot soup in a dining room with tables covered with clean white oil cloth.

They do all this for their workmen and they get a better afternoon's work out of them as a result. Now, Mr. Agent, here the Sherwin-Williams Co. have three requisites—good materials, good process and good workmen—I would call your attention to the fact that *you* have *good materials* and a *good process*.

Therefore, Mr. Agent, we invite you to join our "brighten up" club. Let us see if we cannot "cover the earth" with a new idea concerning life insurance salesmanship—good materials (our present most excellent line of policies); a good process (the helps furnished you by our company and by our agency to increase your efficiency); good workmen (your own good selves brought to your highest standard of efficiency) a resultant of those "brighten up" methods which we are endeavoring to promulgate).

Mental Condition.

While the proper mental condition of an agent is most essential (namely, a light heart, a forceful attitude and a pleasant smile), yet there are certain little external appearances which count for much in the success of the life insurance agent—a clean shaven face each morning, clean linen each morning, well brushed clothes each morning, well polished shoes each morning. All these little essentials (which so many people think of as "non-essential") count in the final analysis.

Mr. Agent, "cover the earth" with your personality, but let that personality impress itself upon your hearers in all ways possible, a clean mind, a clean heart and clean clothes. In other words, the appearance of "fresh paint" from hat to shoes. We furnish you, Mr. Agent, with canvassing "paint," and we furnish you with the brush necessary to apply that "paint." Your workmanship, however, will be good or bad according to the way in which you know how to handle the brush. The brush is a knowledge of what you are selling. The "paint" is the policies which you are selling for your company, but the workmanship is not the company's. It is yours—it is your own individual effort. Therefore, no matter what the company does for you, no matter what I may try to do for you, it is all of no avail if you leave the "paint cans" unopened and the brush wrapped. In conclusion, "Success (like paint) comes in Cans"—"Failure in Can't's." Therefore, drop out from your vocabulary the word "Can't" and bring to the front your "Cans," which are: "I *can* succeed." "I *can* sell life insurance." "I *can* make money selling life insurance." "I *can* work faithfully and hard." "I *can* be efficient." These, Mr. Agent, are some of your "paint cans." The Cans of Success. Use them. "Brighten Up" and with them "Cover the Earth"—not only with your optimism, but with applications for life insurance for your company.

Business.

"Business is poor," said the beggar,
Said the undertaker, "It's dead."
"Falling off," said the riding school teacher,
The druggist, "Oh, vial," he said.
"It's all write with me," said the author,
"Picking up," said the man on the dump.
"My business is sound," quoth the bandsman,
Said the athlete, "I'm kept on the jump."

The bottler declared it was "corking!"

The parson, "It's good," answered he.

"I make both ends meet," said the butcher,

The tailor replied, "It suits me."

—The Federal.

CHARLES W. SCOVEL ADDRESSES PENNSYLVANIA STATE CONFERENCE OF MOTHERS' PENSION BOARDS.

Advocates an Important Application of the Monthly
Income Idea Which Has Received Little or No
Attention Heretofore.

Former National President Charles W. Scovel, of Pittsburgh, who has given much study to the various phases of monthly income insurance, made a brief address at the closing session of the State Conference of Mothers' Pension Boards, held at Pittsburgh, June 2 and 3, in which he advocated an important application of the monthly income idea that seems to have had little or no attention heretofore.

The central aim of the mothers' pension movement, now spreading over the country, is to bridge the gap from the father's death until the children become wage earners—allowing the mother just enough monthly money from the State to supplement her own efforts and enable her thus to keep the family unit unbroken through its period of greatest stress. The sums proven sufficient for this vital purpose range from \$9 to \$18 a month for the smaller families of from one to four.

Mr. Scovel pointed out that the minimum ordinary policy, for only \$1,000, of which so many millions already are in force, will by itself accomplish that purpose for a great proportion of those families. This is a fact of vast significance to society, that ought to be known and spread, not only by all social workers, but by all agents and cashiers who write insurance and settle policy claims.

The subject of Mr. Scovel's talk was "The Ounce of Prevention." After referring to the tremendous social value of the 29,000,000 industrial policies, averaging \$140 each, in providing for burial and other expenses at death of both young and old, he pointed out that the \$17,000,000,000 of ordinary insurance now in force on the lives of adults are divided among 9,000,000 of policies for the lowest unit—\$1,000. He then emphasized the fact, so frequently encountered by the social worker, that the family receiving \$1,000 or \$2,000 on the bread-winner's death has commonly spent it all (often unwisely) within a few months, or a year or two at most, and after that brief period of easy money is left even more helpless than before.

Spreading the Knowledge.

"You social workers," he continued, "can help better than the life agent can, better than anyone else can, in making these many billions of dollars in policies of \$1,000 to \$2,000 yearly effective as whole tons of prevention to keep these many millions of families from ever needing mothers' pensions. How? By spreading among those families, as they come to know and trust you, the knowledge that even these small policies can be and ought to be paid—not in one sum at death—but in the shape of monthly income, extending at least over the years until the oldest child or children can go to work, and continuing (where \$2,000 or more is carried) throughout the mother's life, however long.

"You can tell the father while living that he ought to have his policies, present and future, made payable that way. You can tell the mother that, if she has not done so, she can and ought to choose to take the proceeds that way. This is a work of educating the people. The life agent must keep after new insurance; he has neither time nor favorable opportunity to do very much of this educational work, even if he knows the facts. And this whole subject of monthly income insurance is so new and so vast that it will take a long time for the rank and file of the agencies to learn it fully.

"As applied to the \$1,000 policy, the monthly income idea gives a family service that surprises one, I confess, when I figured it out last night—and I had already been studying the general subject a great deal. The widow can have the income spread over just the number of years needed to bring her oldest child or children to the wage-earning point. That \$1,000 will yield, for instance, \$9.50 a month for 10 years, or

\$18 a month for 7 years, or \$17.67 a month for 5 years—and these sums will be increased by yearly dividends. Remembering that New Jersey provides a mothers' pension of only \$9 a month for a widow with one child, and that our Alleghany County board finds the average pension it has granted to be \$18 a month for an average family of four, it will be evident that even this smallest unit of \$1,000 can be made to bridge the yawning chasm of helpless years for a large proportion of families. Tell them so!

"The \$2,000 policy opens a wider vista of service for all the family, especially if the insured adds the trifling special premium required to prolong the income throughout the wife's life—only 36 cents a month, at age 35 for both. That \$2,000 will yield (1) \$170 at death for funeral and other expenses; (2) \$10 a month for the widow's life, however long; or (3) if she die soon after her husband, \$10 a month for 20 years in all (long enough to help bring up youngest child; or (4) if the father lives on, say, to age 65, he can draw \$1,045 in one sum or a life annuity amounting to \$10 a month for his own old age; and (5) all the while the bulk of the money paid in by him has been held in his loan value (more ready for emergency use than other invested savings) amounting in the second year to 37 per cent. of what he has paid in; tenth year, 67 per cent.; twentieth year, 85 per cent.; and thirtieth year, 100 per cent.—all his money back for old age support. For all this he has had to lay aside (deducting dividends on the scale now paid) only \$4 a month for the first year at age 35, gradually decreasing to \$2.30 a month the thirtieth year.

"The many millions of families whose heads now carry \$1,000 to \$3,000 of insurance have no idea that it can be made to yield any such service. Nor will most people realize, until your mothers' pension work becomes generally known, that these \$9 to \$18 monthly incomes will really keep the family unbroken. You, who are proving the latter fact, are the very ones to tell the people to make their existing policies payable monthly—as real ounces of prevention."

HAVE A DEFINITE PURPOSE IN WHAT YOU ATTEMPT

By Chas. J. Rockwell, Field Supervisor The Edward A. Woods Agency, The Equitable Life Assurance Society, Pittsburgh, Pa.

Singleness and fixity of purpose are absolutely essential in order to arrive at any successful result in this business or in any other. Laying down a plan of action and then sticking to it is the only way to "get there."

We would laugh at the man who, wishing to drill a well, first drilled 10 inches here, then 10 inches there, and kept shifting the machinery all over a ten-acre field; because this is so plainly absurd. We all know that the man who will drill that well is the man who stands by the spot he has selected for his well and drills away. He has a definite purpose, a concrete plan carefully made, and he will not be diverted from it. As a logical result he succeeds.

The carpenter, before he attempts to use saw or chisel, plainly marks out the lines he intends to follow. The contractor insists on plans and specifications before beginning to erect the building. Nothing will they leave to chance, but must have their purpose clearly defined. In all walks of life, business, the professions or mechanics, it is the man with a definite purpose, which he unswervingly pursues, who attains results worth while. *Why?*

We have all heard of men who possess that marvelous power called personal magnetism; which enables its possessor to make others see and accept his point of view as their own. These men seldom hear a refusal; they get applications with but little argument and no waste of time. This wonderful power, so useful to an agent, is a cultivated one; and if we will study and endeavor to emulate the methods of these men we may learn something of the secret of their power. And one thing will impress you at once—that all

men possessed of personal magnetism are *very much earnest*. They never trifle, never dally, never vacillate; they are always in tremendous earnest, with a clear idea of what they want, and their very intense earnestness makes them magnetic. Their minds are filled with one controlling idea; in other words *they have a definite purpose*.

This earnestness has a most direct effect on the prospective applicant, and another, highly valuable, though less direct effect upon the agent himself. The agent who has concentrated his mind on a definite purpose, and through this concentration has become in deadly earnest, when this earnestness has developed magnetism which will not be denied, and which will bring applications readily, is certain to be stronger, broader and more contented.

Mark it down, that the man who succeeds in anything is the man who sets himself a task to do, and makes it his business enough; so that, even though he falls short of his aims, the result he *does* achieve is still a credit to him. Fail!! What is no disgrace to fail—trying for the ideal. The best men you ever knew have had failures; but what they accomplished while trying to succeed has made them great to us. The only man who never failed is the man who has never adopted a high standard. Such a man does not know, and *never will* know his own measure, nor his own worth.

It will pay us all to try ourselves and fail; remembering that each effort makes us stronger for the next trial. Standards of agents many times differ, not because one is more capable than the other, but because one has a willingness and desire to big things and the other has not. It is just as easy to think about a 20-story building as it is about a one-story building; and the thought is a great deal more broadening.

Never look behind when running a race—unless you want to lose it. Then forget the rejected applications, the postponed risks, the cases you failed to close and all the other disappointments. Keep your eye on the finish; know the objective you want; stick to a line of attack; do not allow yourself to be side-tracked, or scatter your efforts. Concentrate! Remember that even the mighty Mississippi River was of little use to commerce until its waters were hemmed in by levees and directed to one certain channel instead of being permitted to wander about seeking a straight course to the sea and never finding it; and in the meantime wasting the usefulness of its vast volume of water. Stay on the main line, yourself, and set yourself a purpose; and when you have done so, concentrate on its accomplishment all the powers that you have and can acquire; become fiercely earnest, and you will win.

Cultivate Your Crop.

Who with 10 fertile acres is content to make a meager living by working only one?

You, too, have a fertile field to cultivate—the insurance field. And a mighty productive field it is for the man who puts energy and ambition into working it right.

Are you covering your ground, or only working a little patch of it?

There's many a farm in this country, once abandoned and being worn out and worthless, that is to-day making a good living for its owner.

Just a difference in methods, that's all.

A little more system, a little more intensive cultivation, a little more science, a little less trusting to luck, will wonder for the insurance agent as well as the farmer—**FOR NO INSURANCE FIELD IS EVER WORKED OUT.**

Prepare Your Soil.—Let the people know, for instance, that you are selling "the best there is in life insurance."

Sow Your Seed.—See six or eight people a day and every day, day after day. The number of good prospects will vary in proportion to the number of people you see. Not every one will be a good prospect, but I do say there is an absolute law of average, varying with the personality of the man who is seeking for good prospects.

THOMAS A. BUCKNER.

LECTURES ON LIFE INSURANCE IN THE DISTRICT OF COLUMBIA.

Local Association Conducts Successful Educational Campaign in George Washington University, Young Men's Christian Association and the Business High School.

by James Lee Bost, General Agent, Home Life Insurance Company of New York, Washington, D. C.

The District of Columbia has lately become a prominent center of life insurance education. The occasion for this is the recent establishment of a course of lectures on Life Insurance at three of Washington's popular institutions under the direction of the committee of education and conservation appointed by the local Life Underwriters' Association. This committee is represented by George C. Jordan, Orville B. Brown, Edward S. Brashears and James Lee Bost.

As chairman of the committee, the writer has been requested to prepare an article for the LIFE ASSOCIATION NEWS, descriptive of the manner in which this educational campaign has been conducted, with the view that it might contribute some profitable suggestions to other associations not yet started in this far-reaching movement.

When the committee met for discussion of the work, it decided that its attempt the first year, so far as institutional advertising through lectures is concerned, would not extend beyond a preliminary degree. Therefore, after choosing the institutions which were considered most desirable it selected a limited number of topics rather general in their scope. The institutions chosen were the George Washington University, the Young Men's Christian Association, and the Business High School. Calls were made upon the authorities of these institutions to explain the object and to gain their co-operation in the plan. It may be frankly said that there was considerable doubt in the committee's minds whether our purposes would be properly understood and approved. However, a few moments only were required in each case to gain the necessary confidence and co-operation desired.

At one institution it was found to be just the thing the authorities had been contemplating; at another, the slight suspicion of the proposition, which was at first evident, was quickly removed by citation of the fact that the members of the calling committee represented different companies, and that the proposed scheme was in no manner for the benefit of any individual person or company. Such a thing as representatives of competing companies working together in harmony in contradistinction to the old-time method of competition in the business seemed novel and unique and caused a smile of satisfaction very apparent.

The plan of lectures being accepted and the dates for them arranged from one to two weeks apart, it was then necessary for the committee to secure lecturers of distinctive ability and national prominence, in order to make the experiment a pronounced success.

At the university the course was presented to the classes in economics and political science; at the Young Men's Christian Association to classes studying commercial and general business methods, and at the Business High School to the two upper classes, consisting of about 600 members.

The subjects and lecturers selected for the George Washington University were as follows: March 27, subject, "Life Insurance—Its Conservation as to the Home, Estate, Community, Corporation, Nation and Individual," by Prof. S. S. Huebner, dean of the Wharton School of Finance and Commerce of the University of Pennsylvania, and author of a text book on Life Insurance, now in preparation for schools and colleges. Second, April 24, "History of Life Insurance," by Henry Moir, actuary of the Home Life of New York and author of several important books on actuarial science, as well as other more popular works. Third, May 8, "Life Insurance as a Profession," by Stewart Anderson, editor

of the Massachusetts Life Insurance Company, and well-known as a lecturer on life insurance subjects. Fourth, May 15, subject, "Policy Contracts—Their Principal Forms with Ordinary Terms, Clauses and New Features," by Neil D. Sills, general agent in Richmond, Va., of the Sun Life of Canada, and ex-president of the National Association.

Each of these subjects was most carefully prepared and forcefully presented, and were listened to with deep interest and enthusiasm on the part of students and faculty, as well as by many general agents and sub-agents who attended.

At the Young Men's Christian Association, the subjects and lecturers were as follows: April 19, subject, "General Principles and Effect of Life Insurance," by Charles F. Nesbit, superintendent of insurance for the District of Columbia. Second, April 24, subject, "History and Evolution of Life Insurance," by Graham C. Wells, a practical and successful life insurance writer and general agent at Pittsburgh for the Provident Life and Trust Company of Philadelphia. Third, May 8, subject, "Life Insurance as a Profession," by Stewart Anderson. Fourth, May 15, subject, "Policy Contracts," by Neil D. Sills. The lectures on the two latter subjects being held on same dates and topics as those of the university, the classes of the two institutions were merged for these dates.

At the Business High School the topics and lecturers were as follows: April 23, subject, "General Principles and Effects of Life Insurance," by Charles F. Nesbit, superintendent of insurance for the District of Columbia. Second, April 30, subject, "Life Insurance as a Profession," by Dr. Louis I. Dublin, statistician of the Metropolitan Life Insurance Company, of New York. Third, May 7, subject, "History and Evolution of Life Insurance," by Dr. Frederick L. Hoffman, statistician of the Prudential Life Insurance Company, of Newark, N. J., and fourth, May 14, "Specific Services of Life Insurance with Various Policy Forms," by J. H. Jefferies, secretary of the Penn Mutual Life Insurance Company, of Philadelphia.

At the Young Men's Christian Association and the Business High School, the subjects were presented with much added interest by being thrown open to general discussion by way of questions and answers after their formal presentation. At the latter institution, where the students are quite young, with minds more or less immature, it was most interesting to observe the unbounded enthusiasm of both the boys and girls over the opportunity to learn more of the subject by asking questions. It seemed unmistakable ability of the young mind to grasp the general principles of Life Insurance. A short story told at the beginning of the lecture was sufficient to hold the interest of all to the end.

The committee was careful to see that the editors of the local papers were furnished with proper data regarding the purpose of these lectures, as well as with abstracts of lectures as they were severally presented, with the result that an account of every lecture was printed in all of the papers, varying from a short mention of two inches to nearly a column, according to space limited by the over-crowding of news columns by the Mexican situation.

The institutions where this work was conducted have expressed hearty gratifications over the manner in which they were given, as well as the strong personnel of the lecturers, and have signified a desire to have a more extensive course presented to them next season.

Cultivate Your Crop.—Work the ground over and over again. The farmer has to do this. He doesn't get results by putting the seed in the ground and letting it go at that.

Reap Your Harvest.—Get immediate business from some, cultivate a friendly acquaintance with others who will later mean business for you.

In Short.—Your success is measured by the way you cultivate your field, i. e., the number of people you see.—THOMAS A. BUCKNER.

Life Association News

A MONTHLY JOURNAL DEVOTED TO THE INTERESTS OF ALL
LIFE INSURANCE AGENTS.

PUBLISHED BY THE

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ARTICLE II OF THE CONSTITUTION.

"The object of this association shall be to advance the best interests of the cause of true life insurance."

Address all communications to

EVERETT M. ENSIGN, Editor and Manager.

Telephone, 4344 John.

LIFE ASSOCIATION NEWS, 56 Pine Street, New York City.

This newspaper is owned by the National Association of Life Underwriters, unincorporated, a voluntary association; Ernest J. Clark, president, Calvert Bldg., Baltimore, Md.; Frank D. Buser, secretary, 704 Commonwealth Bldg., Philadelphia, Pa.; H. Wibirt Spence, treasurer, 306 Penobscot Bldg., Detroit, Mich.

SUBSCRIPTION PRICE \$1.00 A YEAR IN ADVANCE.

WOMAN'S INTEREST AND INFLUENCE IN LIFE INSURANCE.

Never before in the history of the World has so much attention been given to the interests and influence of Woman in her relation to moral, social and economic welfare. Feminism, no matter what our conception of the meaning of the term may be, undoubtedly indicates a rapidly growing movement which eventually will sweep before it the antagonism and rivalry of sex which thus far in the evolution of the human race have characterized society.

Lamartine was in advance of the time when he said: "Any real rivalry of the sexes is the sheerest folly and most unnatural nonsense." We of this day need claim no special gift of prescience by discerning in our mind's eye an era in which Woman's interests will be as many and as varied as she chooses to make them; an era of intellectual equality with opportunities divorced of the present inhibitions now peculiarly and, until recent years, firmly attached to the activities of the gentler sex.

It must be admitted that the emancipation of feminine individuality will, as a natural consequence, carry with it a corresponding burden of responsibility. But with this responsibility will also come the privilege to acquire the physical, mental and moral strength and fortitude necessary to successfully meet the situation.

One immeasurably important phase of economic and social service with which Woman has hitherto been deplorably unfamiliar will then be given the consideration justly deserved by an institution created, supported and perpetuated for her—Life Insurance.

The topic for the Prize Essay Contest at the Cincinnati Convention will be, "Woman's Interest and Influence in Life Insurance." The subject is so timely and its ramifications are so many that it should prove a remarkably inspiring and prolific theme.

Is there any human agency bearing such an important relation to Woman, concerning which she understands so little? Life Insurance is an island of security, peace and plenty. Yet more than three million American women are desperately struggling in the surrounding breakers of poverty, and thousands more are sinking exhausted in the cold and merciless sea of destitution. The ignorance of Woman as to the real purpose of Life Insurance results in such needless and pitiful sacrifice of even the actual necessities of life, that it points the finger of shame at American civilization. Argue as we may, Life Insurance is the great and only protector of the homes of thousands of American families; argue as we may the facts of the situation prove that in thousands of families there is no protection in the form of Life Insurance, and upon analysis we find the reason of

NEW "SCHOOL OF LIFE INSURANCE SALESMANSHIP"

If you "Come to the Pacific with Ward" to sell Life Insurance for The Pacific Mutual Life Insurance Company, you may join, free of cost to you, the new Correspondence School of Life Insurance Salesmanship, just started by our Company for its agents.

For further information write

H. H. WARD, Manager: PACIFIC NORTHWEST

Title & Trust Building, Portland, Oregon

Hoge Building, Seattle, Washington

his to exist in many cases because of an objection on the part of the wife.

Various theories have been advanced why the women of this country apparently take so little interest in an institution which at some future period could be of such vital importance to them. Whatever the psychology of these objections may be, the constantly broadening sphere of woman's interest and influence will eventually do much to solve the problem. A man sometimes declines to insure his life because under most policy forms he realizes that he will never see the tangible evidence of the completed transaction; a wife discourages her husband from insuring his life in her favor because she sees the tangible evidence of present expense, but at the same time does not take cognizance of the compensating benefit which will eventually accrue to her. In Life Insurance a negative influence is generally equivalent to direct discouragement. Leaving out of consideration the sentiment which actuates a man to insure his life for the benefit of those dependent upon him, why should a man economize now so that his wife may not suffer after his span of life has been spent, when he is not interested in the proposition? He does not care because she does not care, and she does not care because she does not understand.

It occurs to us that until the Feminism movement, the great majority of women must have lived for the then present alone, or else they were simply remissive of the past. In the Feminism movement the past is but a series of lessons learned, and the present is the threshold of the future. This habit of thought, taking into account an element of time which in days past was denied to Woman, means a complete readjustment of mental processes. A new factor—the future—an earthly future—arises, and the contemplation of this once forbidden realm will necessitate a comparison of present actions with ultimate results. Thus in the development of a mere habit of thought will Life Insurance receive from woman a tremendous impetus. But Life Insurance will not be the only new channel into which the feminine mind will be directed. Many phases of the new sphere of mental activities will present themselves, each demanding recognition. So that Life Insurance will receive its proper and just share of thoughtful consideration, the Committee on Education and Conservation has in course of preparation a series of "human interest" stories which will focus the atten-

tion of Woman upon the one subject which should not be overshadowed by affairs of minor importance.

The foregoing is but one aspect of "Woman's Interest and Influence in Life Insurance," and consistent with the facts of the case we have taken into account the lack of interest and the negative influence of Woman in Life Insurance as evidenced by indisputable records.

There are, however, a few women who, whether or not it was born with them, acquired, or thrust upon them, are most ardent advocates of Life Insurance. We refer to the woman solicitor, many of whom have met with notable success. Theoretically, at least, the solicitation of Life Insurance is a field in which Woman should be a star of the first magnitude. Life Insurance is inextricably entwined with the heart and the home; its appeal, all things considered, is largely on a sentimental basis. Therefore, woman, a creature of "intellectualized emotion," is by her very nature endowed with the qualities necessary to an effective presentation of the subject. Her innate gentleness and modesty, if not always securing an interview, certainly precludes a brusque or offensive reception.

There is also another field in Life Insurance where Woman's interest and influence is powerful to a marked degree. A wife's kindly interest in her husband's business, brings to bear a tremendous psychic influence upon his mental attitude, and his mental attitude is nearly always indicative of success or failure. At the agency meetings of one of the largest agencies in this country, the presence of the wives of the solicitors is always encouraged. It has been found to be good business policy, and, then again, as Miss Mulock said, "The deepest tenderness a woman can show a man is to help him do his duty."

Puget Sound Association Issues Monthly Bulletin.

To the Puget Sound association has fallen the honor of being the first local body affiliated with the National Association to issue a monthly bulletin to its members. The object of the bulletin is to keep the members in touch with association activities and will contain other matter of interest and value. It is planned to reprint timely articles which may appear in the various home office publications, and when desirable, to also make use of matter from some of the insurance periodicals. The bulletin is the idea of A. B. Furner, the newly elected secretary of the association, and Mr. Furner will edit the publication.



Back to the Farm, Life Insurance Agents!

The Fourth Estate is the leading publication for the makers of newspapers. It is read very closely by advertising men. It exerts a great influence among those men whose business it is to reflect the tendencies of the times and to mould public opinion.

An idea of its power for good or evil may be accurately gauged by taking into consideration the class of people which it serves and the opinion which these people have of the publication. Ogden Mills Reid, editor of the *New York Tribune*, has said: "I consider it an absolute necessity for every man who wants to keep thoroughly informed on what is going on in the newspaper world." Norman E. Mack, publisher and proprietor of the *Buffalo Times*, declared: "I consider it would be impossible to keep in close touch with matters pertaining to the journalistic profession unless I went carefully through *The Fourth Estate* every week it is issued." Charles H. Grasty, president and general manager of the *Baltimore Sun*; Dr. Talcott Williams, director of the Pulitzer School of Journalism; Clark Howell, editor of the *Atlanta Constitution*, and many other journalists have expressed warm encomiums along similar lines.

Mr. Reid, Mr. Mack, Mr. Grasty, Mr. Williams and Mr. Howell are men who reflect, direct, make and break Public Opinion. They rely, so they say, upon that which they read in *The Fourth Estate*.

So, this is what these men and thousands of other editors, publishers, advertising managers and newspaper men read as a caption to a letter appearing in *The Fourth Estate* issued May 16, 1914.

NEWSPAPERS LOSE \$100,000,000 INSURANCE SOLICITORS GET VAST SUM THAT SHOULD BE SPENT IN ADVERTISING

Following this is a lengthy communication signed R. S. S., which is an argument to prove that the life insurance solicitor is not worthy of his hire; that the commissions paid solicitors is an unnecessary expense; that \$100,000,000 paid annually to solicitors by the various legal reserve life insurance companies should be diverted to advertising in the newspapers. All this is bolstered up by reference to an advertising campaign of the German Potash Syndicate and to the (so-called) success of the Postal Life in selling life insurance by the non-agency-newspaper-advertising-plan.

Has *The Fourth Estate* sold its birthright for a mess of potash? Not exactly, but it has given official recognition to a silly diatribe of the genus potboiler, which is sicklied o'er with the pale cast of piffle, punk and palaver. The Perlmutter of its double-tongued arraignment being the Postal Life.

Advertising is a powerful leverage of modern salesmanship, but it has never developed such conditions as to mean the elimination of the salesman. We advertise in order to prepare the way for salesmen. And if our advertisements

are written with sufficient PULL, to say nothing of PUNCH and displayed in the proper mediums, the work of the salesman is made less difficult. But, above all, good advertising never serves as a substitute for the salesman; on the other hand, it demands more salesmen.

As to the first P in the pod—the German Potash Syndicate—the article in *The Fourth Estate* says:

Sir: Although there are few who deny the force of the maxim that "it pays to advertise," the fact remains that the advertising solicitor is still something of a missionary. Although there are many large concerns whose business has been built up by means of advertising, there are still many business men who have to be convinced that money spent in advertising is money well spent.

Of course, it follows that the concerns who have made advertising pay thoroughly understand the business of advertising. Many of them employ high-priced specialists to prepare their copy, and this frequently results in advertising material which is as readable and instructive as the articles upon which the circulation of the publication is based.

A notable example of this phase of the advertising business is the propaganda of the German Potash Syndicate (*Die Deutsches Syndikat die Kaliwerke*), whose intelligent and persistent use of space (chiefly in Southern locals and farm papers) has gradually educated the people in the use of potash as a constituent element in commercial fertilizers.

Twenty years ago a favorite formula for a cotton fertilizer was 8 per cent. phosphoric acid, 2 per cent. nitrogen and 1 per cent. potash. Such a limited use of potash means that the Potash Syndicate, which virtually enjoys a monopoly of the manufacture of mineral potash salts, sold only from 150 to 300 pounds of kainit or sylvinit (the common carriers of potash) for each ton of commercial fertilizer sold in this country. The syndicate thereupon wisely determined to create a demand for potash. Disregarding the local manufacturer, whose interest it was to influence the use of phosphoric acid (mainly manufactured from phosphate rock, a domestic product), they went straight to the farmer—the ultimate consumer—with carefully designed and instructive advertising showing the beneficial effects of potash upon growing crops, in which were shown corn, cotton, peanuts, wheat, tobacco—all of the heavily fertilized crops—as grown with and without fertilizer, with lightly-potashed and with heavily-potashed fertilizer.

The result of this intelligent appeal to the farmer was that, every year, he began to demand more and more potash, so that, to-day, the average cotton-fertilizer formula, instead of including a mere 1 per cent. of potash, usually carries from 2½ per cent. to 3 per cent.—and the business of the canny Teutons in this country has doubled or trebled.

We are glad to be furnished with such an excellent e

ample of the benefits accruing from institutional advertising. Doubtless the advertising campaign served its purpose of educating the farmer of the South as to the use of potash as a fertilizer, but the ultimate maximum success of the propaganda did not depend upon a mail order business. Orders received were in direct ratio to the follow-up arguments of salesmen. To advertise is well begun; remember though, that well begun is but half done. Thus endeth the reading of the gospel of Potash.

This way to the Big Show! Learn how 20,000 life insurance agents are to be driven back to the farm. See R. S. S. in his wonderful, marvelous, stupendous, astounding, sensational, death-defying feat of juggling \$100,000,000 (count 'em if you can) in one hand.

To be serious, and one must need be serious at this juncture, R. S. S. attempts to convey the impression to the readers of *The Fourth Estate* that the Postal Life has met with such success in selling life insurance on the mail order plan that the estimated \$100,000,000 annually paid to solicitors by other companies is an unnecessary expense. In other words, he has attempted to tell the most influential body of men on this continent that all life insurance agents are thieves, and that the commissions made in selling life insurance are illegitimate graft—for the life insurance agent—but that the same commissions would be perfectly proper graft for advertising men. For quoth the gentleman, "What a mellon-cutting there would be if this enormous sum were spent in advertising."

The so-called success of the Postal Life in selling life insurance by advertising and through the mail is the great standing joke of the insurance world. To quote:

An even still more striking example of the power of intelligent advertising is furnished by one of our New York life insurance companies. At the corner of Nassau and Liberty streets, in the very heart of the financial district, is a fifteen-story building owned by a life insurance institution that is perhaps the best example in the world of the pulling power of properly prepared copy, because it does not employ one solitary agent, but gets all of its new business through advertising. The institution in question is the Postal Life Insurance Company; and its success is all the more remarkable because of the fact that the life insurance business has been so traditionally a business of solicitation that the persistence of the life insurance agent has become a by-word and a standing jest. The saying is common, "Sticks like a leech, or like an insurance agent."

The company began modestly about nine years ago. Its organizer and president, Mr. Malone, believed that the life insurance business, because of a quasi-public character, should be freed from the oppressive burden imposed by the excessive selling cost necessary under the agency system; and he began with the proposal that the Postal Life would dispense with agents and give the benefit of the agent's commission to the man who paid the premium. He was laughed at. Of course! Reformers are always laughed at—at first! But the idea grew. The Postal pounded away. It bought space intelligently—and used it intelligently. After a while it began to be seen that it was not difficult to persuade a man that \$60 (\$100 less an agent's commission of 40 per cent.) was less than \$100, and then men began to wonder why they had never sensed that self-evident proposition before; in fact, it seemed a little strange that anybody should ever have been silly enough to suppose that the insurance companies really paid the insurance agents' commissions. But the Postal's thoughtful advertising campaign made it so clear that the ultimate consumer—the policyholder—must of necessity pay all the expenses, including the agents' commissions, that in a little while it became very easy to convince the average man.

And the Postal Life with nearly \$15,000,000 of in-

surance in force and nearly \$10,000,000 of assets, is today selling its policies not only throughout the United States, but in foreign lands, and is covering a wider field than perhaps any other life company.

But what is of peculiar interest and significance to publishers is the fact that the Postal has proved that the great business of life insurance can be successfully conducted without agents, but through advertising and correspondence.

The agency companies now spend on their agency organizations more than \$100,000,000 a year. What a melon-cutting there would be if this enormous sum were spent in advertising!

This would result in an educational campaign which would reach to remote parts of the world where even the ubiquitous agent is unknown; many more people would learn about insurance protection than know about it now, and after a while they would buy life insurance the same as they now buy any necessary commodity—the same indeed as they now buy fire insurance.

More power to the Postal Life. May its prestige and vogue increase even if the 20,000 agents now on the firing line have to go back to the farm. Once there, however, they will have the consolation of knowing that they can take out a policy by mail and save money.

Among life insurance men the Postal Life is not spoken of as a "company"; it is referred to as an "Experiment." As to the progress it has made, it all depends upon one's viewpoint, but to any man of intelligence the following figures should suggest certain peripatetic characteristics of the crab. According to a contemporary, figures for the year 1913 show total income for the year \$2,217,204, a drop of \$305,000, or 14 per cent., from the previous year. New premiums less than 25 per cent. below the previous year. Insurance written about \$80,000 less than in 1912. Business in force dropped off two and three-quarter millions. The excess of mortality over expected was approximately \$63,262.

From the above it is evident that in his endeavor to make a strong argument, R. S. S. could not have selected an illustration less capable of supporting his contentions. In his feeble vaporings he has unconsciously endeavored to put *The Fourth Estate*, issued every Saturday, in the tri-weekly class.

The National Association does not dispute the value of advertising. In fact, it has devoted the best part of two years to convincing its members and the companies represented by its members of the absolute necessity of a campaign of non-partisan advertising. Therefore, it seems particularly ungracious for *The Fourth Estate* to lend its columns to a communication of the character quoted. We can see where nothing has been gained by the advertising fraternity, and we are hoping against hope that a false impression in the minds of the editors and advertising men of the country has not been created by the irresponsible dribblings of one who proves the truth of the maxim that "a little knowledge is a dangerous thing."

If you should see a teamster driving mile after mile with the brakes set on his wheels you would conclude that he was either a dense fool or a very careless fellow. And, perhaps, you are displaying no more sense. What about those bad business habits that you persist in through ignorance or negligence? Do you realize how much harder they make your work and how greatly they curtail your production? Look through your register and note the policies returned for cancellation. In every case where you failed to place business written you were at fault in some respect. If the same fault operated several times it must be somewhat of a habit. Kill it without respect for age or condition. The commonest and worst of the whole brood is the habit of *not getting* a settlement with the application.

There need be no difficulty in securing payment at the time of closing nearly every case. *Make it a habit.—Pointers.*

College Men and Life Insurance from a Practical Viewpoint.

Once in a while we meet a man who looks with contempt upon money. In the majority of instances he is a member of a school of transcendental theory which seeks to prove the incompatibility of the modern idea of service and the remuneration which accrues from service well rendered. Any attempt to separate the two fails, for both are interdependent. But there are occasions when traditional dignity forbids reference to a thing so base as the common medium of commercial exchange; and, while its existence is not denied, the part it plays and the purpose it serves is, by tacit agreement, left unspoken.

National President Ernest J. Clark recently delivered an address before the University of Cincinnati, in which he emphasized the opportunities which existed for college men in life insurance. Mr. Clark dwelt particularly upon the idea of Service, assuming, as was proper that he should do under the circumstances, that an intelligent audience would take into consideration the fact that for service rendered a price is always paid.

In connection with this we quote an article from *The Insurance Post*, which gives an interesting compilation of statistics showing the incomes of graduates who engaged in the

solicitation of life insurance, as compared with the incomes of graduates adopting other lines of business and professional activity:

The college commencement season is at hand, and thousands of bright young men are facing the world with a diploma in their hand and a determination to show that their four years of college life have not been wasted. The argument of those who favor a college education as against the school of practical experience is that the college-trained man, although he starts in the race under the handicap of less practical experience, has a better equipped mind, and is able to make more rapid progress than the man who lacks scholastic advantages. In this connection a table has been prepared showing the average incomes for five years of Yale graduates of the class of 1906, divided according to occupations. The interesting feature of this is the fact that the young men who became insurance agents made by far the best record of all the graduates during their first year out of college, and had the best average for the first five, although advertisers and publishers caught up with them after the first few years. The table is interesting, however, as showing the opportunities life insurance work offers to a presentable young man who can think and talk in the way of prompt income and possibilities of advancement.

AVERAGE INCOMES FOR FIVE YEARS—YALE GRADUATES OF 1906.

Occupations.	First Year.	Second Year.	Third Year.	Fourth Year.	Fifth Year.
Insurance agents	\$1,665	\$1,150	\$1,480	\$1,908	\$2,703
College teachers and officials.....	1,376	945	1,001	1,093	1,419
School teachers and officials.....	988	1,118	1,324	1,456	1,501
Social or religious workers.....	924	1,100	1,400	1,404	1,766
Farmers and ranchmen	893	1,200	1,866	1,600	2,400
Government employees	850	860	1,165	1,575	2,650
Real estate dealers	825	1,100	1,750	2,140	2,550
Musicians	750	1,100	1,450	1,700	1,350
Advertisers and publishers	730	1,202	1,702	2,792	3,600
Business men	717	885	1,246	1,657	1,967
Journalists	660	790	821	920	1,168
Engineers	650	942	1,352	1,286	1,702
Manufacturers	602	1,185	1,639	2,100	2,485
Brokers	537	1,376	2,086	2,237	2,693
Bankers	510	938	1,170	1,472	2,112
Graduate students	487	542	425	447	370
Lawyers	358	339	608	927	1,244
Foresters	1,100	1,300	1,500
Total replying	131	151	160	177	184
Average, all occupations	\$740	\$968	\$1,286	\$1,522	\$1,885
Average for all occupations, five-year period, \$1,280.82.					
Average insurance agents, five-year period, \$1,872.33.					

Commissioner Done Issues Ruling on Dividend Comparisons.

When Insurance Commissioner Willard Done of Utah promulgates a ruling it is well worthy of careful perusal. The conclusions reached by Mr. Done are invariably impartial and equitable. He has recently issued an opinion as to the use of dividend estimates in participating and non-participating companies, and has pointed out how various misrepresentations may do lasting injury to both. The ruling, which follows, should be of interest to all solicitors:

A complaint against a life insurance agent accused of over-estimating dividends has given rise to considerable thought as to what may and may not be permitted in the way of dividend illustration. A few preliminary observations should be made. In the first place, both participating and non-participating insurance must be protected. Misrepresentation will do lasting injury to both. It is evident that it would be unfair and in every way undesirable to prohibit dividend illustrations, as that would result in the practical elimination of participating insurance in future writ-

ings. But it is clear that the abuse of the privilege of illustration must ultimately result in the entire prohibition of any dividend estimates or statements whatsoever. This prohibition if not reached by departmental ruling, as it has been in some States, would surely be reached by legislation, as it has been in others. Hence the only way to protect and perpetuate participating insurance is to prevent abuse of this privilege.

All estimates of dividends to escape the charge of misrepresentation must be based on the experience either of the company making them or of some similar company. In line with this idea, I have issued a ruling that annual dividend companies may use their present current schedules or recent policies of exactly the same kind as those now issued. Companies writing deferred dividend insurance may base their estimates on policies matured by themselves or similar companies, making due allowance for non-forfeiture features, interest earnings, expense ratio and other elements that necessarily enter.

The abuse of the annual dividend estimate is in the attempt to carry it over too long a period. Since no company

has been writing its present form of contract for very many years, it is difficult to understand how a company can legitimately use illustrations extending further into the future than past experience indicates. And yet instances are known where dividends are directly or tacitly estimated for 20, 25, 30 or 35 years with improvement at compound interest. Some companies, I find, are issuing booklets and illustration blanks covering long future periods.

Abuse is so inevitable where such blanks are placed indiscriminately in the hands of agents that the only way to prevent it is to prohibit their use. Companies using them are hereby notified that they must be withdrawn from this State. In the case in point the illustration was carried out by the agent or by the applicant for a period of 35 years, and I rule that no company is justified in estimating its dividends that far in advance. There is no past experience on which any such estimates can be justly based. This prohibition is issued in all friendliness and with the positive knowledge that if abuses continue the use of dividend estimates will be absolutely prohibited in the future as it has been in some States already.

The deferred dividend confined as it is to a very few companies, is being gradually abandoned by the companies now using it. Greater abuse can arise in estimating this form of dividend than the annual, and for that and other reasons the companies themselves are voluntarily abandoning this form of policy. I now ask all companies placing deferred dividend contracts in this State to furnish me with their literature and instructions to agents as to dividend estimates. This action was taken some three years ago and some abuses were found which I believe have been partly removed. These companies must furnish their literature again and it will be closely scrutinized and objectionable features removed as far as possible.

Companies that make a strong feature of dividend estimates are always prone to issue comparative literature with this feature emphasized. I have already prohibited the use of such literature where the names of other companies are mentioned. If any such literature is being issued, it must also be abandoned unless this ruling is contested in the proper way.

Companies issuing pamphlets containing annual dividend illustrations are hereby requested to furnish this office with copies of such pamphlets. Each company will be judged by the pamphlet or pamphlets it issues and will be informed whether these are objectionable. I ask that they be handed to me immediately for examination.

Companies and agents writing non-participating business are also admonished that it will be construed as misrepresentation for them to ignore the dividend element when making comparative statements with participating insurance. It has come to the notice of this department that some agents in making oral and written comparisons entirely ignore the dividend feature of participating insurance and make comparisons of their gross rates with the gross rates of the participating companies. Whenever non-participating insurance competes with participating, the regular dividend scales of the participating companies must be taken into account in all comparisons made.

**MAKE YOUR APPLICATION FOR
HOTEL RESERVATIONS FOR
THE CINCINNATI CONVENTION**

NOW

To the Members of the Local Associations:

The topic selected for the prize essay contest for the year 1914 is:

“Woman’s Interest and Influence in Life Insurance”

1. The essays are limited to one thousand words each.
2. The contest is open to each member of every local association belonging to the National Association.
3. Each competitor should submit his essay type-written in triplicate and identified only by a number marked on each copy and also on a sealed envelope containing his name and address and the name of his association—all to be forwarded in one enclosure to Everett M. Ensign, Corresponding Secretary, 56 Pine Street, New York City, on or before August 15, 1914.
4. The writer of the essay adjudged to be of highest excellence will receive the Calef Loving Cup as custodian of the same for his association.
5. The cup will be held by him for his association until the succeeding Annual Meeting of the National Association.
6. The writer of the essay adjudged to be second in merit will receive the Ben Williams Vase, under the same conditions of holding as obtained in connection with the first prize.
7. Should said holder’s membership terminate by death or otherwise, the prize shall be held as above by the president of said local association. Should said association dissolve, or its national membership be terminated, the prize shall forthwith be returned to the corresponding secretary of the National Association.
8. All essays submitted in competition shall become the property of the National Association, with the right of publication.

It is the earnest hope of the Executive Committee that this interesting and important feature of the Annual Convention will be participated in by a large number of the membership of each association, so that the highest and best results may be realized.

COMMITTEE OF AWARD

Mary Roberts Rinehart, Pittsburgh, Pa., Chairman,
Dr. S. S. Huebner, Wharton School of Finance, University of Pennsylvania, Philadelphia, Pa.,
J. S. Drewry, State Agent for Ohio and Tennessee.
The Mutual Benefit Life Insurance Company.

The essays will be passed upon by the Committee of Award and its report will be presented at the Annual Convention of the National Association at Cincinnati, Ohio, in September next.

Very truly yours,

EVERETT M. ENSIGN,
Corresponding Secretary.

THE ONE-EYED MAN.

How Success Follows the Efforts of the Person with One Purpose in View.

The following article was written by Clinton Davidson, who represents the Mutual Benefit at Louisville, Ky. Mr. Davidson loses no time in getting down to "brass tacks" and his story, straight from the firing line, is full of good advice and valuable suggestions.—Editor's Note.

The one-eyed man is the man with a single view—the man with a single purpose in life. We may liken him to a man aiming a rifle who closes one eye so as to exclude everything from view except the sight and the object he is aiming at. The one-eyed man always has some definite object in view, and everything that he does, and even every thought that he thinks, points forward toward and has some definite bearing upon the one great purpose of his life.

Suppose a young man, after leaving school, starts out upon the farm. His father is a well-to-do and successful farmer and he intends to become the same. He works steadily for about two years on the road to success, when he decides that his opportunities are too limited, that there isn't much chance for a young fellow of to-day upon the farm, anyhow. He wants to see the world and so he decides to try the railroad business where there will be no limit to his advancement.

Starting in Life.

He starts his career with the railroad as a freight brakeman. After working there for about two years he finds that advancement was not as rapid as he had thought. He has been in one or two bad wrecks, and so he goes home to his father, tells him of his experience and says, "The trouble with me is I haven't the education; that's what it takes to get along to-day." He persuades his father to send him to a medical college that he may become a famous and wealthy doctor. This takes about two years' preparatory work and four years of medical training before he graduates and is allowed to practice.

Twelve Years Lost.

He finds that it takes an awfully long time to build up a practice; that he has to wait for the people to come to him, and he sees all around him physicians who have spent a lifetime in the service and are barely making a living, so he comes back to his father again and says, "Father, I have made a mistake; there isn't anything in this doctor business. The men who make the money to-day are those who buy things cheap and sell them high." And so he persuades his father to set him up in their home town as a merchant. Haven't you seen hundreds of young men like this? I have. Thousands of dollars have been spent, 12 years have passed, and yet the young man is where we first found him—making a start in life.

What is the trouble with farming? Many men have become wealthy and successful farmers, but not like this young man. It was only by making farming their one aim in life.

Many men have been successful in the railroad world. One of the most successful, James J. Hill, started as a brakeman, but the goal he kept constantly before his eyes was that of a master railroader. Everyone of these lines lead to success—for the one-eyed man. Success which could be spelled this way (\$ucce\$\$), but the young man spelled it (?ucce??).

All great men have been one-eyed men—Rockefeller, for example. It has been said that his one aim in life was to accumulate wealth. And he has done it. Harriman and Morgan were also, but I believe their aim was to acquire power and secure control, rather than simply to accumulate wealth.

The one-eyed man plans for the future—some people you

know plan for a year at a time. You know of some agencies working for these "fly-by-night" companies, and they tell you they are guaranteed a large salary for a year. When asked about next year they say let next year take care of itself. The one-eyed man realizes that everything that he does and every thought he thinks has some definite bearing upon his one great purpose in life, and he acts accordingly.

The one-eyed man is well paid. He is not a one-eyed man because he is well paid, but he *is well paid* because he *IS* a one-eyed man. He is like a great surgeon—he loves his work. He does not stop and think about how much money he will get out of each case, but, like a great surgeon, he also is well paid.

Never Discouraged.

The one-eyed man never gets discouraged. He does not cry over spilt milk, but goes to the pasture and milks another cow. If the home office declines one application, he goes out and writes five more. He is an optimist, and when he sees the wolf at the door, says: "Well, here is where I get my winter furs." He realizes that troubles are like babies—the more you nurse them the bigger they grow.

The one-eyed man is enthusiastic; he uses concentration, he inspires confidence, gives service and employs system; but these are the effect and not the cause; they all spring from his deep love for his work, from the all-consuming purpose of his life. He tries to practice that old admonition, "Know all about your own business and something about every other business," and he is awake to every opportunity. Opportunity you know, knocks once at every man's door, but the one-eyed man does not expect the panels to be kicked in. He does not waste much time criticizing. Anyone can do that. I have never laid an egg in my life, but I am a better judge of an omelette than any hen that ever lived.

Men have tried to show us the thousand roads to success, and in trying to follow the money details we have often lost sight of the goal; but I contend that if we will make this work of protecting the widows and orphans our main effort in life the thousands of details will come to us naturally.

Just One Purpose.

All of us are not one-eyed insurance men, but every one of us has all the qualities necessary for a great success in this business if we make it the one purpose of our business in life. If we picture before us the success we want to attain and then let everything we do and every thought we think have some definite bearing upon it we are bound to reach it.

The life insurance business is worthy of the best that I have. I don't have a Sunday suit of clothes. The best clothes I have are not too good for life insurance work. The life insurance business is worthy of the best thoughts of our brains and purest impulses of our hearts.

"There are loyal hearts, there are spirits brave,
There are souls that are pure and true;
Then give to your work the best that you have,
And the best will come back to you.

"Give love, and love to your heart will flow,
A strength in your utmost need;
Have faith and a score of hearts will show
Their faith in your word and deed.

"For life is the mirror of king and slave—
'Tis just what you are and do—
Then give to your work the best that you have,
And the best will come back to you."

Gentlemen, the one-eyed man holds the secret of success. Let's all be one-eyed men.

What the Local Associations Are Doing

Life Association News has no paid correspondents. We depend entirely upon the secretaries of local associations to send us stories of all meetings of their respective associations. If an account of the last meeting of *your* association does not appear in this department, ask the secretary of your organization why he did not send us the particulars.

Immediately after each meeting, on the same day if possible, secretaries of local bodies should send us a full account of the business transacted, including copies of all speeches, or extracts from the most important of them.

Akron.

The May meeting of the Akron association was held at the Portage Hotel, with thirty members present. Mulford Wade, a member of the National Executive Committee, reported in detail as to the mid-year meeting of that committee in New York. The plans for the institutional advertising campaign were explained by Mr. Wade, and the subject will be discussed and acted upon at the June meeting.

Battle Creek.

Under the direction of National Treasurer H. Wibirt Spence, 14 life insurance agents of Battle Creek, Mich., formally organized the Battle Creek Life Underwriters' Association on May 26. Officers elected were as follows: President, Guy A. Ramsdell, Mutual of New York; vice-president, Roy Walt, Michigan Mutual; second vice-president, R. W. Scott, Metropolitan; secretary, F. W. Calvert, New England Mutual; treasurer, Lee Dudley, Northwestern. Executive committee—Howard H. Truitt, Mutual of New York; L. A. Dudley, Northwestern, and A. W. Shafer, Sun Life. The meeting was held in the Chamber of Commerce rooms and was characterized by genuine enthusiasm. This now gives the State of Michigan five associations. The Battle Creek body decided to join the National Association and sent in its application with that object in view. The Kalamazoo association sent an invitation to the new organization to participate in a joint meeting and outing at Gull Lake on June 22 and the invitation was accepted. Insurance Commissioner Winship will address the gathering on "Laws of the State of Michigan."

Boston.

The June meeting of the Boston association was held at the Napoli Inn, Nantasket Beach, on the 10th inst. The meeting was the fourth annual outing of the association, and

the afternoon was spent in games and outdoor sports, such as baseball and quoits. Dinner was served at 6.30, there being about forty members present. There was a cabaret show and plenty of good music. No formal business was transacted and the speeches were impromptu.

Capital District

Twenty-five members and guests were present at the last meeting of the Capital District association, held on the evening of June 2, in the Chamber of Commerce rooms. Ten five-minute talks on practical topics were given by members of the association, as follows:

1. "Our Duty to Our Company," A. B. Mallory, Connecticut Mutual.
2. "Our Duty to Our Agency," P. W. Abbott, Northwestern.
3. "Our Duty to Our Client," W. J. Powers, John Hancock.
4. "Fitting the Policy to the Man," Jesse Barnet, Mutual Life.
5. "Conversion of Term Policies," D. A. Ter Bush, Travelers.
6. "Securing Leads," W. A. G. Linn, Fidelity Mutual.
7. "Does a Straight Canvass Bring Results," G. L. Buck, Provident.
8. "Getting Settlement with Applications," L. C. Van Derhyden, Penn Mutual.
9. "How to Increase Amount of Applications," J. F. O'Marah, Massachusetts Mutual.
10. "Suggestions for Annual Outing," E. F. Foley, Metropolitan.

Chairman C. C. DeRouville, of the executive committee, made a motion, which was duly seconded and carried, that a vote of thanks be extended to the Chamber of Commerce expressing the association's appreciation of the courtesy extended to them for the use of the room and the assurance of the association's support.

On the recommendation of the executive committee, it was unanimously moved and carried that Hon. Frank Hasbrouck, Superintendent of Insurance, and Harry D. Appleton, First Deputy Superintendent of Insurance, be elected as honorary members of the association.

The next meeting of the association will be an outdoor affair, and will probably be held at Parr's Island some time next month.

Chattanooga.

The regular monthly meeting of the Chattanooga association was held on the 5th inst. at the Hotel Patten and was devoted to the education and conservation movement. An amendment was made to the constitution providing that on account of the importance of the work of the chairman of the publicity committee that this office should be made an elective one. Samuel R. Connolly, of the Prudential, was elected to membership.

Chicago.

There was a lively discussion at the April meeting of the Chicago association as to question No. 10 of the recent questions promulgated by President Ferguson regarding the future policy of the association. This question brought up the point as to whether or not the association should attempt to prevent the placing of life insurance policies by anyone who is not a member of the life underwriters' association. Sixteen members of the association spoke five minutes each on this question and many interesting points were brought out. J. F. Oates, general agent of the Northwestern Mutual, closed the discussion by the following resolution, which was unanimously adopted:

"Be it resolved, That a representative committee of 15 members of this association be appointed by the president:

"First—To devise ways and means by which the will of the association as expressed in the recent replies to the president's circular may be carried out.

"Second—To devise plans for bringing into the membership

of this association all of the life insurance men (and women) of Chicago.

"Third—To initiate efforts the purpose of which shall be to limit the payment of commissions on life insurance to life insurance men only."

The committee called for in this resolution was appointed by President Ferguson and is at work on plans at the present time, to be reported at the next meeting of the association, which will be held in June.

The committee also offered resolutions on the death of the late Hervey S. Dale, who was treasurer of our association for the last 20 years and treasurer of the National Association during the past year.

The last meeting of the season will be held at the Auditorium Hotel on the 30th inst., and the principal feature will be a report from this committee.

Cincinnati.

The Cincinnati association at its May meeting elected the following officers for the ensuing year: President, John L. Shuff, Union Central; vice-president, S. P. Ellis, Providence Life and Trust; treasurer, Franklin J. White, Berkshire. Executive committee—J. W. Kirgan, Fidelity Mutual; I. Rauh, Equitable; Visitor Trounstone, Northwestern Mutual; W. N. Dunbar, New England Mutual, and W. G. Oehmig, Mutual Benefit.

National President Ernest J. Clark was a guest of honor and discussed "The Value of the Life Underwriters' Association." "The association," said Mr. Clark, "is not a society of mutual congratulation as some people have been so unkind as to say. It is a hard working organization which is making more gentlemen and greater improvements in life insurance than the work of all other bodies and forces combined. Ten years ago there was a membership of 1,500; last year at Atlantic City this had grown to 3,614, with 86 local associations; in March of 1914 there were 5,120 members and 86 associations; since then at least 350 new members have been added—an increase in the past year of over 40 per cent. If the present ratio is kept up the membership will have been doubled by the time of the annual convention this fall."

Mr. Clark then spoke briefly on the four important problems of the National Association: the education and conservation movement, taxation, legislation and membership extension. He made reference to the text book which is being prepared by the National Association, with Dr. S. S. Huebner, of the University of Pennsylvania, as editor.

Colorado.

Seventy-five members and guests of the Colorado association attended a meeting of that body on May 26 at Denver. Among the guests of honor were President William W. McClench, of the Massachusetts Mutual; P. H. Showalter; Secretary Reich, of the local association; Commissioner Epsteen, of Colorado; Commissioner W. H. Done, of Utah; Commissioner Van Valkenburg, of Idaho; Assistant Attorney General Wendell Stephens; President Thomas F. Daly, of the Capitol Life; and Governor Ammons, who is president of the Farmers' Life. Delegates were appointed to the National convention to be held in Cincinnati in September.

Governor Ammons said in part: "I like the spirit of the organization, and especially in these modern times; I like the spirit of the addresses you have given, of co-operation and of assisting each other, and I wish that it would extend not only to the insurance business, but throughout all other relations of life. I have learned enough in this last winter, if I never realized it before, to be opposed constitutionally to brushwhacking. I am in favor of a different way of accomplishing things; I like to see two fellows go out and have a horse race, for instance, just so long as it is fair, and even the fellow who gets left is always satisfied. There is field enough for all of those engaged, and work enough for all those engaged in the insurance business. There is nothing, as was very well suggested a moment ago, in unfair methods, because those can never be covered up, and the man who

practises them will, in the end, just as certainly lose, as he engages in the practise."

Columbus.

The regular monthly meeting of the Columbus association was held at the Athletic Club on May 14. National President Ernest J. Clark was the guest of honor and delivered an interesting address, which was enthusiastically received by the forty-nine members present. Mr. Clark started his insurance career in Columbus with the John Hancock. Plans were completed for the local association to send a large delegation to the Cincinnati convention, about fifteen members having joined the Cincinnati Convention Club.

It is almost assured that the Columbus association will join the National Association in its institutional advertising campaign. President H. H. Steiner appointed a special committee to work out the details of the movement, naming Fritz Lichtenberg as chairman. The invitation of J. C. Campbell, State agent of the John Hancock, to be his guests at an outing in June at his country home, was accepted.

Connecticut.

The May meeting of the Connecticut association was held at Bridgeport and was devoted principally to a discussion of the education and conservation movement. Dwight G. Holbrook, as chairman of the publicity committee, presented a report, which was adopted by the unanimous vote of 25 members present. Mr. Holbrook declared that the plans had met with the approval of two of the large Hartford companies, which companies have practically decided to subscribe their share of expenses on business paid for in 1913.

Delaware.

A regular meeting of the Delaware association was held on May 25 at Hanna's Restaurant in Wilmington. President Price reported that he had been unable to make any final arrangements with Professor Berlin, of the high school, with regard to a course of lectures on life insurance, but that he had advised Frank Sheppard, of the Provident Life and Trust, to prepare an address on "The Fundamentals of Life Insurance" to be delivered at the high school if arrangements should be made. Jeremiah McDonagh, of the Equitable of Washington, made a brief but effective address on "Life Insurance Agency Organization." He said, in part:

"Harmonizing of several minds for one purpose, that which is to secure good honest men to serve the public in such a manner as to explain and enlighten one of the most important, but least thought of problems in life.

"To secure an organization you must first devise some means of securing the necessary material. My practise has been to find out by advertisement without explaining the nature of the business, and having the applicant reply by letter, giving his name, address, age and experience, and then before approaching the applicant, finding out as to his character and habits. This is done to save waste of time in unnecessary interviews at the office.

"In my opinion in the handling of new applicants, a man should be possessed with both character and courage, and not hesitate in explaining to the applicant the contract under which he is employed, nor should he hesitate in demanding from the applicant a fair trial of his ability. The majority of applicants who apply for positions in our business want to know what they can get out of it, instead of what they can put into it, and usually they don't measure up to their specification.

"The failures in our organization are principally caused by ignorance of the applicant. The employer, either for lack of time or selfishness, does not instruct the applicant properly before starting him in the profession, expecting his men to do electric work with a tallow candle. Whereas, if reasonable time was devoted in selecting the applicant, and after selecting, instructing him, thus avoiding changes, and thus proving the old proverb, 'that if a man is not true to him-

self, it is preposterous to presume that he will be true to anything or anyone."

"Give the square deal, 'live and let live,' efficiency reward plan in place of the old scheme of personal exploitation."

"I assumed in Wilmington in January, 1912, an organization of fourteen men, and at the close of December, 1913, the organization had increased to thirty-two. We also accumulated an organization of policyholders of 11,701."

Detroit.

Two prominent members of the Detroit association have recently passed away—John J. Oliver, secretary of the Michigan State Life, and Jay Bassett, of Bassett & Reese, general agents of the Provident Life & Trust. The following resolution was passed by the association on the death of Mr. Oliver:

On the fourth day of May, nineteen hundred and fourteen, John J. Oliver, secretary of the Michigan State Life Insurance Company and an active member of the Detroit Life Underwriters' Association, departed this life.

The passing of John J. Oliver brought sincere regret to every man engaged in the life insurance business; to his older associates and friends it was a personal sorrow; the Detroit Life Underwriters' Association loses one of its most valuable and most lovable members.

John J. Oliver's genial disposition made him popular among his associates; in business life he gained the esteem of all by his upright character and his stand for fair dealing and honorable methods.

The Detroit Life Underwriters' Association hereby records its appreciation of his services in the cause of life insurance and the building up of this association, and its sense of the serious loss which his death has brought upon the life insurance business in our State and more particularly upon this association in the fulfilment of its mission.

To the members of the family of our deceased brother the members of this association tender their heartfelt sympathy and hope that the esteem in which he was so generally held by his friends and associates may be a consolation to them in their time of sorrow.

Respectfully submitted,

WILL A. WAITE,
H. WILBERT SPENCE,
DONALD CLARK.

Mr. Bassett died at Bay City, Mich., on May 30. He was born on a farm at Novi, Mich., and after graduating from the State Normal, taught for two years, when he took up the study of law. He was admitted to the Bar and practised in Detroit until 1885, when he entered the life insurance business. He became a member of the Detroit association early in its history and has always been prominently identified with its work. The following resolution was adopted by the association:

In the death of Jay Bassett, general agent of the Provident Life & Trust, life insurance has lost a true advocate, and the Detroit Life Underwriters' Association an efficient and valued member.

Mr. Bassett was rigidly honest and straightforward in all of his dealings and detested misrepresentations of all kinds. These characteristics he carried into his life insurance work, and they won for him the respect and confidence of all competitors. Of a genial and lovable nature, he made many friends and his death comes as a personal loss to his associates in the field who also feel that the life insurance business has lost a most valuable exponent.

As an active member of the association almost from its beginning and at various times an officer, he contributed much to its success. The association hereby puts on record its appreciation of Mr. Bassett's contributions to its success, and of his unceasing loyalty to its interests. It owes him a debt of gratitude which, while it cannot be repaid, is gratefully acknowledged in this manner.

The association tenders to Mrs. Bassett and other relatives its heartfelt sympathy in this their hour of grief, in the hope

that this expression of esteem and appreciation may in some measure assuage the poignancy of their sorrow.

CHARLES S. WHITE,
GEORGE L. BAHL,
WILLIAM H. BURR,
Committee.

Erie.

Eighteen members of the Erie association on the evening of June 2 heard National Vice-President Edward A. Woods deliver an address upon life insurance taxation. Mr. Woods' address was the principal event of the meeting, which was held at the Lawrence Hotel. V. W. Doolittle presided over the business session and William H. Riley introduced the speakers at the banquet, the guests of honor being Mr. Woods, Judge Walling and Judge Benson. Mr. Woods recited the startling array of facts with regard to the taxation of life insurance funds and exhorted the members present to use their influence in urging their legislative representatives to assist in enacting laws which would remove the tax.

Florida.

With D. B. McKay, Mayor of Tampa, as guest of honor, the Florida association gathered at noon on May 30 at Manuel Garcia's restaurant and held its quarterly banquet and business session. Mayor McKay spoke in commendation of the theory of life insurance and of the duty of heads of families to protect their loved ones. He regarded life insurance as the surest and safest means of creating an estate. The Mayor expressed the opinion that the great insurance corporations of the country had come to recognize the advantage of State and national supervision of the safeguarding of widows' and orphans' funds which they controlled. Following the banquet there was a business session and a number of new members were admitted.

Georgia.

Hugh M. Willet, chairman of the National Executive Committee and a prominent member of the Georgia association, at a meeting of the latter body held on June 2 at the Hotel Ansley in Georgia, told of the modified plans of the education and conservation committee. Twenty-six members were present, which makes the largest attendance for quite some time. It was decided to hold a State conference of life underwriters early in September. It was originally planned to hold this meeting in July; but, owing to the fact that many of the general agents desired to institute a contest between their agents, giving as a prize a free trip to Atlanta to the State convention, and also because many of the agents are on their vacations during July, the change in the time was thought necessary.

Northern Indiana.

Delegates and alternates to the Cincinnati convention were elected at a meeting of the Northern Indiana association held on the 9th inst. at the Commercial Club in Fort Wayne. The usual dinner was served in connection with the meeting. W. P. Hart delivered a short address on "The Use of Dividends as Applied to Policies."

Iowa.

Fifty members of the Iowa association held a business and social meeting on the 6th inst. at the Hotel Calfax in Des Moines. James C. Clapp spoke of the work being done for education and conservation. Clinton R. Dorn, an attorney, made the principal speech of the evening, his subject being "Better Service of To-day of the Life Insurance Salesman." Will D. Bowles advocated the elimination of the part-time man. President George W. Hughes was authorized to appoint delegates and alternates to the Cincinnati convention.

Kansas City.

H. G. Everett, secretary of the Central Life of Iowa, was the principal speaker at the May meeting of the Kansas City association. There was a discussion as to the proposed campaign of institutional advertising, and it was resolved to take action on the matter at the June meeting of the association.

Knoxville.

The May meeting of the Knoxville association was held on May 30 at noon in the Hall of the Board of Commerce, with the institutional advertising campaign as the general theme for discussion. H. A. Rouser, business manager of the Knoxville *Sentinel*, and T. S. McKinney, national executive committeeman, spoke on the non-partisan advertising propaganda.

A committee was appointed to boost the Cincinnati Convention Club. Another committee was appointed to interview business men for articles on life insurance, and a third committee was appointed to arrange a program for the monthly meeting, to be held on June 27, at which time the general subject will be education and conservation. The topics to be discussed at this meeting are as follows:

1. Education and conservation. Institutional advertising incumbent upon agents and organization essential to success.
2. The association as a potential factor in the minds of the insuring public, and membership therein a badge of honor.
3. Duties and difficulties of the life insurance examiner. His relation to the client and the company.
4. Life insurance and religion.
 - (a) The salesman.
 - (b) The prospect.

Lansing.

The principal feature of the May meeting of the Lansing association was an address by Hon. H. R. Pattengill on "Life Insurance a Factor in Social Progress." Dr. C. E. Weightman, actuary of Detroit Life, discussed the matter of "heavy-weights" as poor risks. A resolution was passed in connection with the Mexican situation commending the work of the administration in endeavoring to adjust matters.

Lima.

The Lima association held a special meeting on the evening of the 1st inst. at the Lima Club. Charles Weinfeld, of the Northwestern Mutual at Wausau, Wis., was the principal speaker. Mr. Weinfeld delivered a stirring and inspiring address. Short talks were made by a number of members and a vote of thanks was extended to Mr. Weinfeld.

Los Angeles.

One hundred members and guests of the Los Angeles association participated in the annual spring picnic of that association on May 16. The festivities were held at Verdugo Park, where there were foot races, baseball games, impromptu speeches and everything else which goes to make up a successful outing.

Luncheon was followed with a speech by Frank E. McMullen, general agent of the Massachusetts Mutual and a former president of the National Association. The speaker dwelt particularly upon the institutional advertising campaign and urged the members of the Los Angeles association to become identified with the propaganda. He called the attention of his audience to the fact that in California there were 90,000 orphans under 14 years of age whose mothers are widows. At the close of Mr. McMullen's remarks 20 new members were admitted.

Louisville.

There was an unusually large attendance at the May meeting of the Louisville association, which was held at the Seelbach Hotel. Jesse R. Clark, president of the Union Central, was the principal speaker, and another prominent speaker was James V. Barry, assistant secretary of the Metropolitan, who delighted the members present with some of his inimitable stories. While not down on the program as a speaker, C. B. Taylor, general agent of the Northwestern at Wheeling, W. Va., interested the members with brief references to conditions in the field. W. W. Dennis, general agent of the Mutual Benefit, presided as toastmaster.

Mr. Clark dwelt particularly upon policy loans. "Policy loans," said he, "from the standpoint of safe investment for the life insurance company issuing the policy, cannot be ex-

celled. Is it possible that the company has accumulated this superb asset at the disadvantage of any of its members? As a conservator of insurance, paying current premiums when other resources of the policyholder have failed, it is a good thing for the insured, the agent and the company.

"One other point. The rapid increase in the rate at which reserve is being withdrawn justifies the thought that the duration of life policies may be shortened. Companies may realize that they are no longer selling life but only three-year term contracts. As soon as this is finally demonstrated companies will cease to pay high commissions to the soliciting agent and large dividends to policyholders. In conclusion, it seems to me that the policy loan for any purpose other than the payment of premium is a menace to the business and ought to be discouraged."

Central Massachusetts.

The May meeting of the Central Massachusetts association was held at Worcester. The matter of the proposed campaign of institutional advertising was referred to the committee on education and publicity, consisting of E. A. Robertson, Henry A. Macgowan and Otis D. Arnold. It was resolved to have an outing in July, and arrangements for it were left to the executive committee.

Western Massachusetts.

"A Trade or a Profession" was the subject of an excellent address delivered by Franklin W. Ganse, manager of the home office agency of the Columbian National at Boston, before the Western Massachusetts association at its May meeting. Regular routine business was transacted.

Memphis.

Memphis association has sent resolutions of sympathy to Mrs. Charles G. Carothers, whose husband was a prominent member of that association and who recently passed away as the result of falling from the window of his office.

Minneapolis.

The regular meeting of the Minneapolis association was held May 23 at the West Hotel. The topic for discussion was "What Restrictions With Regard to the Employment of Part Time Men Should Be Favored by This Association." The following members spoke: Lorin Hord, Orrin L. Edwards, J. W. Oliver, R. G. Butts, F. C. Butts, Ralph Burges, J. E. Meyers, G. J. Carlson and State Insurance Commissioner J. A. O. Preus. Mr. Preus said that the life insurance company is a trustee of the people's funds, and the life insurance agent is a servant of the public, working for the State. In his opinion, the State has a right to say whether or not the agent is capable of serving it. He also said that he was not concerned with what would be best for the agent but was interested in the agent only in so far as the service the agent rendered to the policyholder was concerned. He suggested that everyone who proposed to sell insurance should first be examined by the State to see if they were properly qualified before being given a license. This, in his opinion, would give the full time agents the protection which they much desire.

New England Women's

Mrs. Florence E. Shaal, president of the New England Women's Association, at the regular June meeting of the body referred to the necessity of the prompt remittance of annual dues, and called attention to the fact that every member in good standing was entitled to a subscription to *LIFE ASSOCIATION NEWS*. Mrs. Shaal urged the necessity of increasing the membership, especially at the present time, when many women are taking up field work. The speaker also said, in substance, that every woman taking up insurance work owed a debt of gratitude to the New England Women's Association for its pioneer work and unselfishness in association activities for the past 16 years. Every member of the association was urged to attend the annual convention at Cincinnati in September.

New York.

An interesting innovation in regular meetings was the May gathering of the New York association, which was a "Solicitor's Meeting." The meeting was held on the evening of May 26 at the Hotel Astor, the speakers being Robert R. Reid, general agent of the Northwestern Mutual, and Alexander Saunders, general agent of the same company. Perez F. Huff, assistant manager of the Union Central, was scheduled to deliver an address on "A Practical Way to Sell and Buy Life Insurance," but Mr. Huff found that the condition of his health necessitated a trip to Europe and was compelled to sail that morning on the Vaterland.

Mr. Reid discussed "Commercial Life Insurance." In his preliminary remarks he said that he believed that the life insurance business was still in its infancy. He traced the development of the subject of commercial life insurance from the early days of history up to the present time. His one fundamental law for commercial life insurance was to find the asset which was in jeopardy and then to suggest the necessary remedy. He illustrated the various points he made by concrete instances, and told of one case involving corporation insurance where the man interviewed had a 40 per cent. interest in a close corporation. The president had built up the business to a \$2,000,000 capital, but realizing that when he died other interests might control the business, he took out corporation insurance so that his estate might have the privilege of either buying or selling.

Alexander Saunders had as the subject of his remarks, "The Ledger Statement for Business Insurance and How to Suggest It." Mr. Saunders went back to his first case and said in part:

"I selected for my first interview a little retail grocer in Atlanta, Ga. I quoted a premium of \$36, and, of course, he could not see why he should pay out this enormous sum as he only owned a very small store. During my argument a little negro girl came in and had two dimes' worth of something. The proprietor, no doubt, having been made somewhat nervous by my description of the terrors of widowhood, dropped one of the dimes behind the counter on the way to the cash register. He picked up the dime in due course and deposited it in its proper resting place. This little incident, however, gave me my cue, and I told him, 'I admit \$36 is a very large sum of money, but supposing that every day of your business year you dropped a dime and it disappeared for good into one of the cracks of your rather poor floor. These dimes are sufficient to pay your premium for \$1,000. Do you think that the amount of this enormous wealth would put you into bankruptcy?' He did not think it would and I got his signature on the celebrated dotted line.

"Now, my general idea in soliciting is to try and bring your business down to the plane of your prospective's business. Talk to him of his own interests or something in connection with it. When it comes to premium for the business insurance that you propose, give him an idea how to pay this in about the following manner:

"I ask him to put on a piece of paper the last year's gross amount of sales and then figure out the percentage to it of the premium just quoted. Let me illustrate from an actual happening: The gross sales amount to about \$750,000 per annum and the premium of the proposed insurance to about \$3,000. That means that it requires \$3 of premium for every \$750 worth of merchandise sold, which is equal to four-tenths of 1 per cent. Point out to him that all he has to do in order to entirely recover the outlay of his premium is to inject into his selling price four-tenths of 1 per cent. Articles that sell for \$100 would have to be sold for \$100.40, and if he is a manufacturer, I should think it would be easy to convince him that his manufactured goods could stand this little extra pressure.

"We are having this meeting at the Hotel Astor, and, no doubt, you all have heard of the Hotel Astor Coffee, same as sold to the consumer generally in one-pound cans, and

let me illustrate on this particular article: The purveyor of this aforesaid article when he makes up his selling price has on his ledger cost of the green coffee, an account for the roasting expense, at the same time taking into consideration the shrinkage, the cost of screening the coffee, and again the loss in weight, the cost of the tins, the labels, the labor of putting the coffee into the tins, the packing of the tins in wooden boxes, and, finally, the cost of selling this completed product, the cost of management of his entire business, the cost of sundry expenses, such as fire insurance, liability insurance, loss on credits. We will call the green article A and the different additions to it to arrive at the selling cost, B, C, D, etc. Now, ask your merchant to add to these different items of B, C and D, etc., an item for this proposed business insurance. Tell him it will approximate about 4/10 per cent, as a gross expenditure, for which his customers pay just the same as they pay for B, C, D, etc. There is, however, this difference, that your business policy has an ever growing cash value and will, therefore, some day not be only an imaginary but a very substantial surplus which may be drawn upon at a moment's notice.

"If a partnership lasts for, say, 15 years, you can almost guarantee your client that by that time all his possible disbursements for premiums in the past 15 years are available by way of the then offered cash value."

Lawrence Priddy spoke of some difficult cases which had come under his personal observation. President Myrick announced that Mr. Reid and Mr. Saunders would be glad to answer any questions, and several of the members took advantage of the opportunity presented. Before adjourning Mr. Myrick gave a bit of his personal experience with regard to blood pressure tests, showing how the smoking of a heavy cigar or the eating of a meal would increase pressure.

The June meeting of the association will be an outing to be held at the Crescent Athletic Club, Bay Ridge, on the afternoon of June 30. Boats will leave Battery Pier at 3.30, 4.30 and 5.30. There will be a baseball game between the uniformed clubs of the home offices of the Equitable and Mutual.

Oregon.

Seldom has there been a more enthusiastic meeting of the Oregon association than the one held on May 18, with fifty members present. Charles F. Swigert, president of the Pacific Bridge Company, delivered a stirring address, which was received with prolonged applause. President Herrin referred to the efforts of Secretary Gray to make the meetings of the association of interest, and that Mr. Gray's efforts were appreciated was evidenced by the volley of cheers given at the suggestion of Harry Richey. S. P. Lockwood, vice-president and general manager of the Columbia Life & Trust Company, discussed "Agency Organization." Dr. A. J. Giesy, medical director of the Oregon Life, spoke on "The Relation of the Agent to the Medical Examiner." T. W. Blackburn, secretary of the American Life Convention, was a guest of honor and delivered a few brief remarks. The June meeting will be devoted to the education and conservation movement.

Philadelphia.

The May meeting of the Philadelphia association was held at the Adelphia Hotel. While the attendance was not as large as usual, there was no diminution of association spirit and enthusiasm. A business meeting preceded the dinner, at which there was an informal discussion on the action of the dinner committee increasing the cost of guest tickets from \$1 to \$2.50. A resolution was also presented providing for a change in the election of members of the executive committee. It is necessary under the present constitution to elect all executive committeemen for a term of one year. Under the plan proposed executive committee members are to be divided into groups and elected for the terms of one, two and three years. This matter was referred to the executive committee. Several new members were admitted. The song hit of the evening was made by W. C. Bradley, of the Northwestern Mutual.

The program was as follows:

"The Good the Association Is Doing the Individual," discussed by E. P. Langley, F. D. Buser and C. M. Hunsicker; "Honest Rivalry Versus Unfair Competition," by W. A. Smalley and J. W. Clegg; "The Solicitor Moulds Public Opinion of Insurance Companies," by T. I. Fansler, G. F. Schilling and W. W. Long.

Puget Sound.

Over 100 members and guests attended the regular May meeting of the Puget Sound association, which was the first under the administration of the newly elected president, W. D. Mead. The institutional advertising was the principal subject of discussion. Malcolm Hughes, manager of the Travelers, told of his trip to the fiftieth anniversary agency convention of his company at Hartford. "Conservation of Trust Funds in Relation to Insurance" was the subject of an address by Ernest C. Everett. A. W. Phillips spoke on "The Relation of Banking to Insurance." DeWitt Clark, State manager of the National Life, spoke briefly on several topics of interest to his audience.

Pittsburgh.

National President Ernest J. Clark was the guest of honor of the Pittsburgh association at its regular May meeting, which was held at the Hotel Schenley on May 12. At the business meeting of the association, preceding the dinner, an amendment to Section IV., Article IV., of the constitution was voted upon favorably. The new section, which refers to non-resident membership, is as follows:

"Non-resident membership shall include those not living within the radius of thirty-five miles of Pittsburgh. They shall have the same rights and privileges as active members except when a company vote is called for, though anyone desiring to qualify as an active member or an associate member may do so by the payment of the proper fee."

Article V., Section III., was also amended to fix the annual dues of non-resident members at \$1.50. Several new mem-

bers were admitted. Charles W. Scovel made a brief talk on the Cincinnati convention, urging everyone to make plans to attend the gathering. W. S. Stimmel then introduced Mr. Clark, who spoke on "The Field and the Agent," sub-dividing the subject in "Possibilities of the Field," "Increasing Responsibility of the Agent," and "Demand for College Men." His talk was the regular lecture which he delivered at the University of Pittsburgh, and which was published in the May number of the News. At the conclusion of Mr. Clark's address, Professor Flocken, of the university, made a short talk, thanking the association for all that had been done in promoting the interests of the insurance course at the university.

A feature of the meeting was the election of C. A. Foehl, formerly president of the local association and now Philadelphia manager for the Prudential, to honorary membership.

A luncheon was tendered at noon to President Clark by the general agents who are members of the association. William M. Furey presided and addresses were made by Charles W. Scovel, Edward A. Woods and Mr. Clark. Mr. Scovel dwelt upon the great value of the campaign of institutional advertising and the results that would accrue from inculcating in the minds of the American people more ideas of thrift.

Mr. Woods claimed that it was only through the members of the Life Underwriters' Association that life insurance could talk to the public. He made reference to the enormous losses resulting from lapses, to the evils of borrowing and to the great burden of unjust taxation.

Mr. Clark spoke upon the work of the National Association in relation to education and publicity.

Rhode Island.

John I. D. Bristol, New York manager of the Northwestern Mutual, and Edgar C. Fowler, superintendent of agents for the State Mutual Life, were the guests of honor at the May

OUR AGENCY SERVICE

First. Careful selection of the Agent.

Second. A complete and systematic course in training.

Third. A well-organized prospect department.

Fourth. An efficiency staff that conserves time and increases incomes.

Fifth. A sympathetic touch between the Home Office and the Agent, which helps us to get his point of view and helps him to know that we have a REAL INTEREST IN HIM.

Phoenix Mutual Life Insurance Company

OF HARTFORD, CONN.

JOHN M. HOLCOMBE, President

meeting of the Rhode Island association. Following the dinner, Mr. Bristol and Mr. Fowler addressed the association, after which there was a general discussion on the subject of "Part-Time and Brokerage Business." It was decided to hold an athletic field meet in June.

In the course of his remarks Mr. Bristol said, in part:

"Why do we have trouble in getting new agents and in making men stick? Because life insurance men do not get life insurance commissions. The business of life insurance will never be at its best until life insurance commissions are paid to life insurance men only. The promising new agent is rare. He must have a moral nature with a strong love of truth; he must have energy, executive qualities and a great capacity to absorb knowledge.

"Life insurance is a business and not a profession. Many men possessing these qualities are discouraged and cease the business because it tolerates and even goes so far as to encourage the evil practices of part-timeism and brokerage business. One good new agent is worth more than all the helpers in the United States. The present practise of writing insurance tends to sift out the honest and retain the undesirable class of solicitors. We must combat the system of appointing agents for a day. As long as we have part-time men and helpers there will be rebating, because the way is opened by which the transaction may be covered. Many men would not think of rebating if there were no competition with part-time and helperism. The system is vicious; in fact, it enables an inefficient life insurance man to make a good, though absolutely fictitious, record in producing new business. My agency will accept applications from men who are giving their whole time to the Northwestern only and are licensed agents of the company. Last year one of them averaged eight calls a day and earned a little over \$5 per call. The part-time man and the broker make no calls. What he gets in commissions really comes out of the bona-fide agent who calls.

"All real agents are striving to become experts in life insurance, but what is the use of experts if part-time men get the

business? Policies are kept in force by the regular agents. They are generally paid renewals primarily to keep the policy in force. One other than the regular agent has no particular interest in keeping the policy in force—in fact, does not know how.

"The general agent of to-day should have capital, so as to be able to develop men in the small town and country as well as in the city. There is enough business in the small town and country to keep a whole-time man busy, if he is properly trained and assisted by the general agent. Agency protection has always built up the business and made it profitable for the regular agents as well as the general agent. Part-time brokerage business always means a one-man agency, because the whole-time agent cannot make a living under the system.

"New York, Michigan, Illinois, Maryland and Connecticut have enacted a law voiding any contract taken with a rebate. This is a real step toward protection, but we do not want, or need, governmental control of life insurance in this country. All general agents should stand together and make public the fact that no business will be accepted from part-time men. The sales in every line of business except life insurance are protected. We should clothe the life insurance man with a mantle of protection at least as secure as that borne by the agent for a certain brand of whiskey."

Mr. Fowler discussed a number of subjects, but dwelt particularly on the institutional advertising campaign. He claimed there are legitimate part-time agents, and stated that in his opinion any movement to escape the income tax would increase the possibilities of the movement for government control of insurance. "Institutional advertising," said Mr. Fowler, "should be paid for by the underwriters' associations, by the agents themselves, and not by the companies. If the advertising is going to do any good it will greatly benefit the agent in increasing his sales. The companies are doing all they can to lower the cost of insurance to their policyholders and we should not load them with an additional expense.

"I thoroughly agree with Mr. Bristol's arguments as ap-

CAN SELL YOU ANNUITIES?

We are the leading specialists in Annuity business.

Special terms for Annuities on impaired lives.

Good contracts for men who can sell our attractive Life, Endowment and Annuity policies.

SUN LIFE ASSURANCE CO. OF CANADA

HEAD OFFICE, MONTREAL.

ROBERTSON MACAULAY, Pres.

T. B. MACAULAY, Man. Dir.

MANAGERS IN UNITED STATES

C. S. V. BRANCH.....Philadelphia, Pa.
HAYES and BROOKS.....Pittsburgh, Pa.
F. C. HOLBECK.....Lansing, Mich.

C. E. KREGLOE.....Baltimore, Md.
ERNEST W. OWEN.....Detroit, Mich.
E. E. WILKINSON.....Port Huron, Mich.

NEIL D. SILLS.....Richmond, Va.

plied to the helper and the broker, but there is a legitimate part-time man. Mr. Bristol's idea may mean success with one man and utter failure in the hands of another. The general agent of moderate means necessarily is handicapped in securing agents. Many of our most successful managers and agents began their careers as part-time men, and there is no

reason why the same result should not be obtained over and over again. Take, for example, the bank clerk soliciting insurance during the late afternoon and evening; gradually he becomes proficient and after a time is willing to devote his whole time to writing life insurance, and the business as a whole gains direct."

"What the Equitable Offers"

What the Equitable Offers is the title of a booklet listing in detail the many attractions and advantages of Equitable policy contracts.

While intended for the prospective insurer, it will interest any insurance salesman who is curious to know why Equitable policies sell readily, renew steadfastly and meet every conceivable need of all classes of insurers. A copy will be sent to any address on request.

The Equitable Life Assurance Society

of the United States

165 Broadway, New York

W. A. DAY, President

Trouble Proof are the Policies

ISSUED BY THE



WILLIAM N. COMPTON

General Agent Metropolitan District

ST. PAUL BLDG. 220 BROADWAY
NEW YORK, N. Y.

THAT'S WHY AGENTS
HAVE A MINIMUM OF
TROUBLE SELLING
THEM.

Now Then!



Ball Bearing—
Long Wearing

THE IDEAL OFFICE ASSISTANT

An employer hires a bookkeeper, stenographer or clerk to relieve him of—not to add to his cares.

He asks the same thing of his writing machine.

He wants it to "stand up," to do its work, to be reliable, quick to respond, ready for emergency or long continued work.

These qualities make the L. C. Smith & Bros. typewriter prominent in the typewriter world.

The ball bearings at all frictional points place it in a class by itself from a mechanical standpoint.

Viewed from the HUMAN angle, the operators of this typewriter do more work and are less tired at the close of the day. If you look into the matter closely, you can't reach any other conclusion. Send for free book.

L. C. SMITH & BROS. TYPEWRITER CO.

Branches in all principal cities

New York Office: 311 Broadway

Factory and Home Office: Syracuse, N. Y.

"Do not dodge the income tax. A great mass of people, I believe, do not know how much many life insurance men make. If they find out that you are evading this tax, which is a fair and just one, it will surely tend toward governmental control of insurance. The life insurance man must always stand in the community as a model of honesty and truthfulness."

"Get every man with a rate-book into the underwriters' association; it is bound to make a better man of him, and—even go so far as to pay his dues, if he cannot. The association stands for high ideals and every man with a rate-book should give it his hearty support."

Richmond.

At a meeting of the Richmond association, held on the 1st inst., plans were discussed for holding a State conference of life underwriters at Richmond in September. It seemed to be the consensus of opinion that a gathering of this character would impress upon the members of the various State associations the desirability of attending the annual convention in Cincinnati. A committee consisting of A. O. Swink, chairman; Neil D. Sills and W. D. Allen, was named to confer with committees from other associations in the State, relative to the project. As to whether or not the Richmond association is to make an effort to secure the 1916 convention of the National Association was left to the executive committee. T. A. Cary, representing the Richmond association on the National Executive Committee, reported upon the plans of the Committee on Education and Conservation as outlined at the mid-year meeting of the Executive Committee.

Rochester.

A movement for the continuance of the health classes for women, which were undertaken last winter by the Rochester Board of Education, at the suggestion of the Women's Educational and Industrial Union, was endorsed in resolutions that were sent to the Mayor and the Board of Education by the Rochester Life Underwriters' Association. This action was taken at the May meeting of that body.

A. V. Smith, chairman of the Committee on Advertising, delivered a report and urged the association to heartily support the institutional advertising campaign of the National Association. Herbert R. Lewis, a member of the National

Executive Committee, fully explained the plans for raising the proposed fund.

Miss M. E. Bingeman, a representative of the Women's Educational and Industrial Union, urged the support of the association in popularizing the health education for adults movement, which is being carried on in Rochester.

St. Louis.

Money talks—and the St. Louis Life Underwriters' Association are certainly showing themselves capable of saying a good deal on the question of education and conservation by proposing not only to agree to the proposition of the National Association of Life Underwriters that they subscribe five cents per \$1,000 of paid-for business, but that they raise this fund to one based on 25 cents per \$1,000 of paid-for business.

Six thousand five hundred dollars is the sum that competent advertising authorities thought necessary to properly cover the St. Louis territory for year's campaign, and did St. Louis balk—did they say "It can't be done"? They did not. Down in Missouri the new spirit is "We'll show you" instead of "Show me." And so one of the members of the committee on education and conservation, William King, a great believer personally in publicity to "sell the goods," went to work and pledged five of the leading agencies in one day's canvass to subscribe over \$2,300 of the necessary \$6,500.

This was reported at the meeting of the association, and that night five more agencies came in, or at least promised to come in. Then the committee on education and conservation got together and put in a day's campaign which resulted in several more agencies coming into line.

To date, there has practically been but one agency which does not contemplate being in this movement, and out of the members already seen, which comprise about one-third of the total agencies represented in the association, 14 agencies have subscribed about \$4,200 of the \$6,500 proposed; so it can well be seen that this campaign is a certainty and St. Louis will certainly be right on the map where everybody will see it, from an insurance standpoint. There is another big thing which is going on down in Missouri, too, and that is the fact that even though the general agencies are responding nobly to this co-operative movement, the special agents want to be in on the good work, too, and so arrangements are being made which will not interfere with the big idea

Purely Mutual

The

Chartered 1857

Northwestern Mutual Life Insurance Co.

MILWAUKEE, WISCONSIN

GEO. C. MARKHAM, President

INSURANCE IN FORCE, \$1,304,385,035

SATISFIED POLICYHOLDERS to the number of 13,073 (out of 45,862 persons applying) purchased additional insurance in 1913.

NORTHWESTERN POLICIES are easiest to sell and stay longest in force.

AGENTS PROTECTED by enforced No-Brokerage and Anti-Rebate Rules.

INCOME INSURANCE
CORPORATION INSURANCE
PARTNERSHIP INSURANCE

It Will Pay You to Investigate Before Selecting Your Company

Write to **H. F. NORRIS**, Superintendent of Agencies
MILWAUKEE, WISCONSIN

LARGE "DIVIDENDS"
LOW COST
SERVICE POLICY

to allow every special who wants to contribute to come in on the plan on a subscription basis.

At the last meeting of the St. Louis Association President DeBoer of the National Life of Vermont was the principal speaker, and dealt particularly with the improvements in life insurance contracts and the history of life insurance.

It is significant at this time to call attention to the fact that the St. Louis association is now near the 200 mark in membership and under the aggressive leadership of F. B. Patton is doing noble work.

The education and conservation committee consists of W. H. Bloomer, William King, W. H. Herrick, R. L. Morton and John R. Baird, and from the fact that the St. Louis association has from one to three columns of live insurance matter in the reading columns of the St. Louis *Republic* and *Globe-Democrat* every Sunday it can well be assumed that this committee is showing what can be done in the education and conservation field by being on the job.

"The greatest thing in the world!" will, under the leadership of such associations as are at St. Louis, be a household word in the near future, beyond a doubt.

San Francisco.

The regular May meeting of the San Francisco association was held at the Hotel Stewart with more than thirty members and guests in attendance. President W. H. Matson was confined to his home by illness and W. L. Hathaway, manager of the Mutual Life, presided during the session. Four new members were admitted. It was decided to postpone until the next meeting the amendment to the by-laws reducing the membership dues from \$12 to \$6 per year. It is proposed to offset the reduction of dues by the members paying for their dinners individually when attending the meetings, instead of defraying the expenses from the association's treasury.

F. W. Kellogg, of the San Francisco *Call and Post*, in a brief address, told his audience of the life insurance publicity campaign which his paper is now conducting. This plan was unanimously endorsed in a resolution adopted at the meeting. There was also a discussion on a proposed insurance club to entertain insurance visitors during 1915.

Syracuse.

At the regular May meeting of the Syracuse association Henry Phillips, member of the national executive committee, gave a report of the mid-year meeting of that committee. Following Mr. Phillips' report there was a general discussion on the institutional advertising campaign. Enthusiastic interest was shown in the proposition, and after the plan was thoroughly understood the association went on record as approving it, and immediately placed the entire matter in the hands of the regular committee on education and publicity, of which K. A. Luther is chairman. The following new members were admitted: B. G. Britcher, Prudential; T. J. Scannell, John Hancock; C. E. De Long, Mutual Benefit; B. H. Elwood, Germania.

The dues of the associate members were reduced from \$3 to \$2 and the date of the annual meeting of the association was changed to January instead of November.

Tacoma.

The monthly meeting of the Tacoma association was held Monday evening, May 25, at the Commercial Club rooms. Several months ago the association instituted the plan of having the different companies' representatives arrange the programs. This meeting was held under the auspices of the Northwestern Mutual, and Wm. Peterson, president of the association, presided.

In point of attendance and enthusiasm this was one of the most successful meetings ever held by the Tacoma association. A number of very able speakers were on the program and gave brilliant and entertaining addresses. W. D. Mead, president of the Puget Sound association, made a short talk, and explained the work the Seattle association is doing along the lines of newspaper publicity.

C. L. Palmer, of Seattle, an old experienced insurance man and journalist, gave an interesting talk on the ethics of the insurance profession, and he was followed by Mr. Burt, of Seattle, who told of the fine work the association was doing in Seattle. He pointed out in a convincing way that the methods of soliciting had been greatly improved; that there was harmony and good fellowship prevailing among the agents, and that the general public had a much higher regard for the insurance men since the organization of the Puget Sound association.

Thos. A. Garrigues, general agent for the Northwestern Mutual, gave a very interesting and highly instructive address. His plea was for upholding the dignity of the insurance profession and for presenting the proposition in a terse, lucid and business-like way to the prospect. He cautioned the younger men against talking "over the heads" of the prospects, and using terms that would not be understood readily. He interposed his remarks by personal reminiscences, and possessing a remarkable memory, he was able to illustrate his points by giving experiences of his own when starting in the insurance business.

K. N. Aldredge, of the Reliance Life, was elected to membership in the association.

Texas.

At the regular annual meeting of the Texas association, held at Dallas on May 30, the old officers were re-elected to serve for another year. However, A. C. Bigger, secretary and treasurer, was compelled to ask the association to relieve him from serving in that capacity for another year. Mr. Bigger's resignation was accepted with regret, as he has been one of the most aggressive spirits of the association movement in Texas. Henry Camp Harris, northern Texas manager of the Reliance Life, was elected to succeed him. The secretary's report showed an active and associate membership of 203, with six additional members elected at the meeting, and a number of applications were in the hands of the membership committee.



"Hitch Your Wagon to a Star"

Translated from Emerson to insurance language means tie up with
A Prosperous and Progressive Company

Year	*New Life Insurance.	*Total Life Insurance.	Accident Prem'n Collections.	Cash Income.	Admitted Assets.	Act. to Exp. Mortality.	Aver. Int. Earned.
1908.....	\$17,820,609	\$100,593,679	\$835,181	\$5,633,124	\$16,100,073	58.96%	5.16%
1909.....	18,232,323	107,245,105	1,007,370	6,164,528	18,429,204	53.50%	5.24%
1910.....	17,986,641	113,882,634	1,276,820	6,750,765	20,765,188	63.90%	5.65%
1911.....	19,702,114	122,514,447	1,515,622	7,445,494	23,363,286	56.85%	5.81%
1912.....	22,378,787	133,309,014	1,739,392	8,199,096	26,243,005	62.28%	6.05%
1913.....	24,088,667	145,040,193	1,944,836	9,079,865	29,338,151	66.47%	6.15%

*Paid-for business.

HOME OFFICE: LOS ANGELES, CALIFORNIA

The association has started off its second year's work under most favorable conditions. President Orville Thorp, in reviewing the work accomplished during the past year, stated, in part:

"Our association has done some great work during the past year, and no doubt its work for the coming year will be marked by even greater progress than in the past. It was started under most adverse conditions. Irregularities of many forms were being practised all over the State most freely. The rebater, the twister, the embezzler and the all-around crook were operating more or less through nearly every life insurance agency in Texas. The laws of our State relative to rebating, misrepresenting or twisting business, or embezzling company's funds, when enforced, are most complete. Unfortunately for the life insurance fraternity, in the minds of most people these laws were more or less dead letters. The fact that the laws had not been stringently enforced led agents to disregard them. Almost immediately after our association was organized the officers and executive committee set about to correct, if possible, these destructive evils, knowing that by so doing they would render a great service to the life insurance fraternity and a greater service to the insuring public. It was, therefore, proposed to raise a fund by assessing the various general agents and companies that were members of the association and use this fund to assist, especially, the county attorneys throughout Texas in vigorously prosecuting those who violate the life insurance laws of our State.

"We have 18 home companies and 20 foreign companies which are now identified with the association. Out of the 38 companies that are represented in the association 24 contributed to the fund. Five cases of embezzlement have been run down and the agents indicted. One of them has been tried and sentenced and is behind the bars. The others are

in jail or out on bond pending their trials. Three or four different cases of rebating have been unearthed and the agents indicted. Other cases are still being considered. The insurance press has given a great deal of publicity to the work of our association, and most favorable comments have been made on the aggressive and determined policy which our association adopted in its efforts to clear away the driftwood and eliminate from the insurance fraternity those disturbing and

**AGENTS WHO REPRESENT
THE
PENN MUTUAL
LIFE INSURANCE COMPANY
OF PHILADELPHIA**

**HAVE AN INSURANCE CONTRACT
TO PRESENT WHICH IN THE SUM
OF ALL ITS BENEFITS IS UNSURPASSED
IT IS BEST NOT JUST ONE WAY
BUT BEST ALL WAYS
AND ALWAYS
BACK OF IT IS A SIXTY-SEVEN YEAR
REPUTATION FOR FAIR DEALING
WITH ALL ITS POLICYHOLDERS WHETHER
CONTINUING, WITHDRAWING, MATURING
OR DYING**

"That's the policy I've been looking for"

\$10,000 Ordinary Life, Age 40.

ISSUED 1911, PREMIUM \$315.50

<i>Dividend at end of First Year.....</i>	<i>\$61.50</i>
<i>Reducing net cost for first year to</i>	<i>\$254.00</i>
<i>Dividend at end of Second Year</i>	<i>\$63.90</i>
<i>Reducing net cost for second year to</i>	<i>\$251.60</i>
<i>Dividend at end of Third Year.....</i>	<i>\$66.50</i>
<i>Reducing net cost for third year to.....</i>	<i>\$249.00</i>
<i>Average Net Cost for the Three Years.....</i>	<i>\$251.53</i>

—said a big Life Insurance man when he saw the sample policy shown here.

"With dividends and a low net premium rate like that, backed by the Union Central's good name, I don't see how the business can get away from me."

We have an excellent proposition for progressive insurance men. Write for it. Address Jesse R. Clark, President, or Allan Waters, Supt. of Agents.

The Union Central Life Insurance Company
OF CINCINNATI

THE LYONS PRINTING COMPANY

**MONOTYPERS
LINOTYPERS
B I N D E R S**

**High-Grade Book and
Catalogue Printing**

**EXPERTS IN
INTRICATE
COMPOSITION**

**NEW YORK OFFICE
105 WEST 40TH STREET**

TELEPHONE 983 BRYANT

**A MODERN PLANT
LOCATED AT LYONS, NEW YORK**

demoralizing factors with which we have all had to contend.

"As a result of the vigorous campaign which our association has waged, in its efforts to control and exterminate the evils above referred to, the life insurance fraternity of Texas has been greatly benefited. Agents now understand that it is against the law to rebate premiums, and that it is against the law to solicit insurance without license. Agents now have a most wholesome respect for the insurance laws of Texas, and anyone who contemplates violating any phase of the law would better get a through ticket to another State before he commits the act.

"The campaign which our association has been compelled to wage during its first year's work has been most unpleasant, however, it seemed that this work had to be done in order to lay the foundation for a greater work for our association in the future. The association has a great work to perform, and in the fulfilling of its mission, it benefits the agents in the field, the general agents, the companies, and last but not least, the insuring public."

Topeka.

The regular meeting of the Topeka association was held on May 18. Resolutions of condolence were adopted on the death of the late E. W. Thompson, who until his death, was a prominent member of the association.

West Virginia.

The regular May meeting of the West Virginia association was held at Wheeling, on the 16th of that month. Paul M. Smith, representing the Northwestern, at Parkersburg, and Herbert L. Smith, representing the same company at the same place, were admitted to membership. The meeting was given over entirely to a discussion of the institutional advertising campaign, but action was deferred until the meeting to be held this month. A special committee will make report upon a definite program, with regard to local as well as to the national campaign.

Prudential Policies



sell and
satisfy.

Agents
Wanted.

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

FORREST F. DRYDEN, President.

Home Office, Newark, N. J.

Incorporated as a Stock Company by the State of New Jersey.

A Big First Quarter!

January, February and March each far exceeded in new business the same months in 1913. And this first quarter rolled up the biggest total of any first quarter in the Company's history. Reasons: Up-to-date policy contracts, low net cost, Company's reputation, satisfied and prosperous representatives. Have you met the Massachusetts Mutual in competition? Would you like to meet it as one of its representatives?

Occasionally we have a general agency opening.

JOSEPH C. BEHAN, Supt. of Agencies

**Massachusetts Mutual
Life Insurance Company**

Incorporated 1851

Springfield, Mass.

ÆTNA Life Insurance Co. OF HARTFORD, CONN.

ISSUES BOTH

Participating and Non-Participating
Life and Endowment Policies
Also Non-Participating Term Policies

Agents will find that the policies of this Company cover a wider range and provide greater benefits than others, and are therefore easiest to sell.

Experienced and successful men, also successful men without life insurance experience, may find satisfactory opportunity with the AETNA LIFE. Address:

FRANK BUSHNELL, Agency Secretary,
HARTFORD, CONN.

or **T. B. MERRILL, Supt. of Agencies,**
134 Monroe Street, CHICAGO.

Life Association News

OFFICIAL ORGAN OF THE NATIONAL ASSOCIATION OF LIFE UNDERWRITERS

Entered as second class matter, Feb. 4, 1907, at the Post Office at New York, N. Y., under the Act of Congress of March 3, 1879.

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NEW YORK, JULY, 1914.

No. 11.

TWENTY-FIFTH ANNIVERSARY OF BIRTH OF NATIONAL ASSOCIATION TO BE OBSERVED SEPTEMBER 15, 16 AND 17 AT CINCINNATI.

POSSIBLE FOR A LARGER NUMBER OF DELEGATES TO ATTEND A CONVENTION IN THAT CITY IN LESS TIME AND AT LESS AVERAGE EXPENSE THAN ANY OTHER CITY IN THE UNITED STATES.

Favorable Location and Two Big Problems—Taxation and the Education and Conservation Propaganda Assure Large Attendance—Plans for Social Features and Outline of Salient Features of Program.

The Convention Committee of the Cincinnati association is beginning to realize that the Twenty-fifth Annual Convention, which will be held in that city under the auspices of the local association on September 15, 16 and 17, will be a bigger proposition than they at first anticipated. Regardless of the fact that it is the twenty-fifth anniversary of the National Association, Cincinnati is most favorably located. In fact, it is possible for a larger number of convention delegates to attend a meeting in Cincinnati at less time and less average expense than any other city in the United States. Cincinnati is located about 100 miles from the center of population and within a night's ride of all the principal cities in the Central States, as well as many Southern and Eastern cities. Within twenty hours, all the Atlantic seaboard and Western prairies can be reached. Within twenty-four hours live 65,000,000 people and Cincinnati is the terminal point of 200,000 miles of first-class railroads.

Two Big Problems.

The attendance at the national conventions has been steadily increasing from year to year and it is more than probable that the Cincinnati gathering will eclipse the attendance at Atlantic City, which convention, in this particular, surpassed all previous records. It is not due entirely to Cincinnati's favorable location; the two big problems before the National Association, Taxation and the Education and the Conservation Campaign of Institutional Advertising are in themselves sufficient to guarantee a representative body of underwriters from all parts of the country.

The executive committee will hold a meeting on the afternoon of September 14 at the Hotel Gibson, which hotel will be the official headquarters of that committee. Arrangements have also been completed whereby all the regular sessions of the committee will be held in the convention hall of the Gibson. The two principal hotels are the Hotel Gibson and the Hotel Sinton and the rates are the same at both hotels—room with bath or shower, one to a room, \$2.50 per day and upwards, two to a room, twin beds, \$2 each per day and upwards. The Sinton Hotel is located within 100 feet of the Hotel Gibson. The Hotel Metropole is located one block from the Hotel Gibson and rooms can be had for \$1 per day upwards. There are other hotels located in the vicinity at the same rate.

Delegates and alternates should see to it that the secretaries or proper officers of their respective associations supply them with credentials. Blanks for this purpose have been furnished the secretary of all local associations. Delegates and alternates, upon arriving at Cincinnati, should

present these credentials at the registration booth, which will be found on the mezzanine floor of the Hotel Gibson.

As in previous years, it is the desire of the officers of the National Association and the officers of the Cincinnati association that no private luncheons or entertainments be planned or attended by association men which will, in any way, interfere with the sessions of the convention. It is particularly desired that there shall be no company meetings during the convention sessions, as Friday, September 18, has been reserved for such meetings.

The topic for the prize essay contest is "Women's Interest and Influence in Life Insurance." The rules for the contest may be obtained from secretaries of local associations or they may be found in the June number of LIFE ASSOCIATION NEWS.

The Entertainment Committee of the Cincinnati association has made ample provision for social features. On the afternoon of September 15 there will be a luncheon to all visiting ladies, either at the Zoological Garden or Country Club. In the evening of that day there will be a reception and dance either at the Hotel Gibson or the Hotel Sinton. Immediately following the afternoon session on the 16th, there will be a boat ride on the Ohio River and supper will be served on board. The annual banquet will be held at the Hotel Gibson in the evening of the 17th, and every delegate and alternate and every visiting guest should plan to attend this closing feature. As usual, the ladies will be admitted and made welcome.

An Ideal Convention City.

With the warm hospitality of the South, to which it is a natural gateway, combining all the facilities of a modern municipality with the charm of an old world city, picturesque, progressive and interesting always—Cincinnati approaches the ideal as a convention city. Indeed, in the past few years it has steadily increased in importance as a convention center. Within one year 100,000 convention visitors have passed through Cincinnati's gates, and it is the proud boast of the city that all of these went away happy and pleased with the treatment they received.

With its own railroad, the Cincinnati Southern, operated by the Queen and Crescent in connection with the Southern Railroad, the Louisville & Nashville and the Illinois Central, Cincinnati is connected with nearly every town and city in the South. To the east there are six trunk lines—Big Four Division of the New York Central, connecting New York and Boston, the Erie and Pennsylvania from New York, Baltimore & Ohio from New York and Baltimore, Chesapeake & Ohio from New York and Newport News,

and the Norfolk & Western from Norfolk, Va. From the west come the trunk lines of the Big Four and Baltimore & Ohio, with connections with other lines. Cincinnati is connected with Chicago and the Northwest by the Big Four, Pennsylvania, Chesapeake & Ohio, and C., H. & D. roads. Other lines reach Cleveland, Detroit, Toledo and other points in the region of the Great Lakes.

The annual convention of the National Association has grown to be the most important event of the life insurance world. At the foundation of all its proceedings is the twentieth century idea of *service*. *Service* implies *knowledge, efficiency, inspiration, enthusiasm and power*. The program is purposeful and dynamic and has been arranged with the special intention of developing these qualities. To attend the annual convention is the best means to be abreast with the present day *life insurance*.

Service sometimes demands a temporary sacrifice of *time and money*; both, however, following an immutable law of nature in any good cause, multiply in direct proportion as they are unselfishly spent. To be something you must give something. Difficult problems are diagnosed and dissected by acknowledged experts in the greatest clinic of the present day; in the lexicon of the convention, there is no word spelt s-e-c-r-e-t. It is well worth while to join in *The Big Brother Movement in Life Insurance*.

One important point that should not be overlooked by those who expect to attend the gathering is the matter of hotel reservations. Applications should be made at once and should be addressed to Millard W. Mack, Traction Building, Cincinnati, Ohio.

The following constitute some of the principal features of the Convention Program:

FIRST DAY.

Tuesday, September 15, 1914.

Morning Session, 10 o'clock sharp.

Invocation.

Addresses of Welcome—

Mr. John L. Shuff, President Cincinnati Life Underwriters' Association.

Mr. Jesse R. Clark, President Union Central Life Insurance Company.

Roll Call of Delegates.

Reading of Minutes of Previous Convention.

Reading of Special Communications.

President's Address.

Vice-Presidents' Addresses.

Secretary's Reports.

Treasurer's Report.

Executive Committee Report.

Announcements.

Afternoon Session, 2 o'clock.

Address—

Dr. S. S. Huebner, Professor of Insurance and Commerce, Wharton School of Finance and Commerce, University of Pennsylvania: "Life Insurance Education."

Report of Committee on Education and Conservation—

Mr. Warren M. Horner, Chairman.

Five Minute Talks—

"Work Accomplished by Local Associations."

(a) Education.

(b) Publicity.

Questions from the floor.

Action on Executive Committee's Recommendations.

Appointment of Nominating Committee.

SECOND DAY.

Wednesday, September 16, 1914.

Morning Session, 10 o'clock.

Address—

Hon. Lawrence Y. Sherman, Member United States Senate from Illinois: "The Taxation of Life Insurance."

Report of Committee on Taxation—

Mr. Edward A. Woods, Chairman.

Discussion of Five Minute Topics—

Mr. Hubert H. Ward, Manager Pacific Northwest, Pacific Mutual Life Insurance Co., Portland, Ore., Chairman: "Necessity for Action in Matters of Insurance Legislation by Life Underwriters' Associations."

Announcement and Reading of Prize Essays—

"Women's Interest and Influence in Life Insurance."

Presentation of Calef Loving Cup and Medal.

Presentation of Ben Williams Vase.

New Business.

Afternoon Session, 2 o'clock.

Discussion of Five Minute Topics—

Mr. Hubert H. Ward, Chairman.

1. "Agency System."

(a) Standards of Qualification for Agents.

(b) The Training of Agents.

(c) Proper Service to Policyholders.

(d) Time Accountability and Systematic Reports.

2. "Utilizing Life Insurance for Charitable and Philanthropic Bequests."

(a) Educational Institutions.

(b) Religious Organizations.

(c) Charities.

New Business.

Presentation of Resolutions or Other Business to Be Referred Under the Rules to the Executive Committee.

Meeting of Nominating Committee, Hotel Gibson, 10 p. m.

THIRD DAY.

Thursday, September 17, 1914.

Morning Session, 10 o'clock.

Report of Executive Committee.

Address—

(Name and subject to be announced later.)

Five Minute Topics—

Mr. Hubert H. Ward, Chairman: "Business Insurance."

Discussion to be led by Mr. Lawrence C. Woods, Assistant Manager, Equitable Life Assurance Society at Pittsburgh, Pa., who will be given twenty minutes, after which the five minute discussion of the topic will prevail.

Announcements.

Afternoon Session, 2 o'clock.

Ten Minute Reports on—

"The Northwest Insurance Congress," Malcolm Hughes, Seattle, Wash.

"The New England Congress," Clarence C. Miller, Boston, Mass.

Awarding of Trophies—

The Edwards Membership Trophy.

The Whittington Delegates' Trophy.

The Waite Attendance Trophy.

Selection of Place for Holding Convention in 1915.

Report of Nominating Committee.

Election and Installation of Officers.

Unfinished Business.

Adjournment.

The following appointments of delegates and alternates have been reported to the corresponding secretary.

Baltimore.

Delegates.—Frederick A. Savage, New England Mutual Life; Jonathan K. Voshell, Metropolitan Life; Alfred G. Goodrich, National Life; Edwin W. Heisse, Aetna Life; Francis S. Biggs, Massachusetts Mutual; Charles T. Thurman, Mutual Benefit Life; Frank H. Wheaton, Union Central Life.

Alternates.—Marcellus H. Goodrich, National Life; Rudolph G. Schaffter, Metropolitan Life; C. E. Kregloe, Sun Life Assurance; George H. Bahlke, Metropolitan; E. Griswold Thelin, Prudential; Franklin G. Allen, Connecticut Mutual; Laurence M. Miller, Northwestern Mutual.

Boston.

Delegates.—Percy V. Baldwin, Travelers; Seldon D. Bartlett, Metropolitan; Gilbert C. Brown, Jr., National; William M. Bunting, Penn Mutual; Ashton F. Carter, Northwestern; Louis Cranston, Prudential; Charles E. Fish, Phoenix; Charles F. Flood, New England; Leon F. Foss, Berkshire; Charles W. Gammons, National; Franklin W. Ganse, Columbian; Floyd E. DeGroat, Mutual Benefit; F. E. A. Goodwin, Northwestern; J. Everett Hicks, Union Mutual; William H. Hodgkin, Berkshire; James H. Lake, Equitable; T. Howard Lewis, Mutual Life; Frank C. Mann, Prudential; Clarence C. Miller, National; Fred C. Sanborn, Massachusetts Mutual; Elmer E. Silver, Union Central; Frank H. Stratton, Equitable; Vernon B. Swett, Provident Life; Walter L. Tougas, Union Central; Gen. Jas. G. White, Travelers.

Alternates.—Lloyd K. Allen, Union Central; Frank L. Armstrong, Standard Publishing Co.; Edward S. Barker, State Mutual; Richard W. Buntin, New England; Charles S. Burke, Connecticut General; Albert H. Curtis, New England; Harry G. Dixon, John Hancock; Clinton A. Ferguson, United States; David Foster, New York Life; Charles C. Gilman, National; Harry N. Haven, Phoenix; Charles Hume, Penn Mutual; William H. Jaquith, 2d, Massachusetts Mutual; J. E. D. Jones, Equitable; Earl G. Manning, Provident Life; Edward Marsh, John Hancock; Henry R. Nash, Union Central; H. C. Staples, New England; F. A. B. Stanton, Massachusetts Mutual; H. A. Stevens, Northwestern; J. Parker Swett, State Mutual; Charles E. Townsend, Equitable; William T. Trull, Aetna; John A. Voodry, Mutual Benefit; Richard O. Walter, Equitable.

Colorado.

Delegates.—W. W. Booth, manager, Equitable; J. Stanley Edwards, manager, Aetna Life; M. G. Hodnett, manager, Union Central Life; C. J. Dean, superintendent, Reliance Life; Jesse M. Wheelock, general agent, Northwestern Mutual Life.

Alternates.—J. A. Culbreath, manager, Northwestern National Life; J. T. Allen, general agent, Kansas City Life; O. C. Watson, manager, Mutual Life; A. C. Salle, manager, Prudential Insurance Company of America; Meyer Harrison, general agent, Penn Mutual Life.

Delaware.

Delegates.—James F. Price, New England Mutual; William W. Knox, Penn Mutual; Charles B. Palmer, National Life; Jeremiah McDonagh, Equitable of Washington; Frank Sheppard, Provident Life and Trust.

Alternates.—Arthur W. Swarts, Mutual Life; C. A. Higgins, Equitable of Washington; F. C. Hughes, Mutual Benefit; Aubrey Vandever, Mutual Life; W. T. Batchelder, Equitable of New York.

Hudson Valley.

Delegates.—John H. Quinlan, Northwestern Mutual Life; M. T. Donohue, Metropolitan Life; Edwin J. Webb, Travelers; Walter R. Gilbert, Mutual Life; J. E. Mahar, Prudential Life.

Alternate.—W. B. Phelps.

Northern Indiana.

Delegates.—Ernest A. Crane, Northwestern Mutual; Charles B. Fitch, National Vermont; Charles W. Orr, Aetna Life; James F. Conway, Metropolitan; W. P. Hart, Union Central.

Alternates.—Stuart K. King, Mutual Benefit; Timothy F. Kirby, Equitable Life Assurance Society; Norton N. Fisher, Mutual Life of New York; Julian F. Franke, Penn Mutual; William P. Cooper, New York Life.

Kansas City.

Delegates.—M. F. Belisle, American Central; G. A. Lock, Fidelity Mutual; A. D. Bonnifield, Union Central; W. J. Cardwell, Mutual Benefit; L. A. Ellis, Provident Life and Trust; E. W. Poindexter, Northwestern Mutual.

Alternates.—R. J. Lyddane, Equitable, New York; A. W. Hartstone, Union Mutual; A. P. Osborne, Royal Union Mutual; J. R. Gant, Home Life, New York; C. L. Scott, Massachusetts Mutual; C. L. Barbee, Equitable of Iowa.

Knoxville.

Delegates.—Wm. B. Henderson, Union Central Life; J. N. Ellis, Volunteer State Life; T. S. McKinney, New York Life; Elihu Anderson, Metropolitan; J. Ed. Lutz, Travelers Insurance Co.; Geo. F. Harrison, Aetna Life Insurance Co.

Alternates.—Fred. S. Shanton, Union Central Life; Allan Watson, Home Life of New York; D. M. Shepard, Home Life of New York; Joseph W. Prevost, Mutual Life of New York; E. R. Lutz, Travelers Insurance Co.; H. H. Ward, Mid-Continent Insurance Co.

Lima, Ohio.

Delegates.—Harry S. Burke, State Mutual of Massachusetts; L. C. Faurot, Provident Life and Trust; A. D. Hildreth, Prudential; O. N. Young, Ohio State Life; Ril. T. Baker, Union Central; Wm. T. Feely, member Executive Committee of National Association, Union Central.

Alternates.—James E. Sullivan, Penn Mutual; J. P. King, Mutual Benefit; A. S. Creps, Massachusetts Mutual; Darwin Crossman, Cleveland Life; Wm. Froning, Gem City Life.

Lincoln.

Delegates.—M. L. Palmer, Aetna; J. R. Moyer, Northwestern; A. R. Edmiston, Union Central; Geo. S. Davies, Metropolitan; J. H. Mockett, Jr., Midwest.

Alternates.—H. W. Noble, New England; H. H. Loughbridge, Equitable of Iowa; N. H. Gardner, State Life, Indiana; J. A. Cravens, Kansas City Life; J. T. Wilcox, Connecticut Mutual.

Louisville.

Delegates.—W. W. Dennis, Mutual Benefit; A. W. Finley, Penn Mutual; W. H. Harrison, Fidelity Mutual; W. L. McPheeters, Massachusetts Mutual; A. L. Noe, State Mutual; W. B. Pace, Manhattan; I. L. Rousseau, Union Central.

Alternates.—L. L. Anderson, Connecticut Mutual; C. A. Cravens, National of Vermont; P. H. Hoge, Prudential; J. G. Morey, Phoenix Mutual; H. D. Rodman, Northwestern; Robin C. Ware, Metropolitan; J. E. Williams, Mutual Life.

North Dakota.

Delegates.—J. Frank Treat, Germania Life Insurance Co.; John C. Whitney, Mutual Life of New York; Wilbur Lawrence, Manhattan Life; Joseph P. Graber, U. S. Annuity and Life Insurance Co.; Arthur F. Colwell, Union Central Life.

Oregon.

Delegates.—H. H. Ward, Pacific Mutual; Wm. Goldman, Manhattan; D. C. Herrin, Union Central; S. P. Lackwood, Columbia Life and Trust; A. D. Katz, Mutual; J. H. Gray, Germania; H. C. Fetsch, Pacific Mutual.

Alternates.—A. S. Rathwell, Mutual Benefit; A. T. Bonney, Metropolitan; Wm. F. Sitz, Columbia Life and Trust; C. L. Weidler, Penn Mutual; H. S. Raker, Northwestern; C. C. Wentz, Connecticut Mutual; T. H. McAllis, Union Mutual.

South Carolina.

Delegates.—Fred. J. Parham, Florida Life; J. C. Dillingham, Mutual Benefit of New Jersey; C. C. Edwards, Aetna Life; William A. Hantske, Metropolitan Life; Marion Rich, Missouri State Life; J. Olin Horne, Union Central Life; M. M. Mattison, Mutual Benefit Life, National Committeeman.

Alternates.—Wm. R. Hough, Mutual Life of New York; C. H. Parks, Florida Life; R. H. Ferguson, Prudential Life; W. M. Carter, Germania Life; James M. Moss, Mutual Life of New York; E. P. Guorard, Penn Mutual Life.

Syracuse.

Delegates.—K. A. Luther, Aetna; E. E. Rust, John Hancock; H. B. Husted, State Mutual; F. H. Hale, Travelers; C. E. Behm, Massachusetts Mutual; C. T. Brockway, Northwestern; Henry Phillips, Northwestern; F. P. Allen, Equitable.

Alternates.—W. G. Marot, Equitable; J. R. Williams, Prudential; J. F. O'Donnell, Fidelity Mutual; G. B. Petrie, Germania; C. S. Burrows, John Hancock; P. L. Ryan, Mutual Life; E. E. Clark, Mutual Life; H. E. Johnson, Mutual Life.

West Virginia.

Delegates.—H. M. Kimberland, Union Central; Geo. C. Crook, Metropolitan Life; H. M. Taylor, Northwestern Mutual; Geo. Baird, Mutual Life; T. B. Sweeney, Equitable; J. E. O'Brien, Prudential.

Alternates.—H. A. Vidal, National; J. P. Hanley, Penn Mutual; C. A. Kesselring, Metropolitan; Thos. S. Meek, George Washington; C. A. Vaden, Prudential; F. E. Armbruster, New York.

Grand Rapids.

Delegates.—J. A. Bassford, Mutual Life; Ned Bowers, Germania; R. S. Lillibridge, Mutual Life of New York; A. D. Swain, New England Mutual; S. M. Wright, Equitable of Iowa.

Alternates.—H. W. Becker, Metropolitan; N. E. Degen, Aetna; T. A. Murphy, Preferred Life; W. J. Olive, Franklin Life; H. W. Ten Broeck, Central Life.

Mississippi.

Delegates.—E. D. Cavett, Union Central; A. C. Crowder, Prudential; F. E. Gunter, Penn Mutual; W. H. Pullen, Security Mutual; E. L. Ragland, Fidelity Mutual.

Alternates.—Longstreet Cavett, Union Central; M. P. Feazell, Columbian National; L. B. Lampton, Penn Mutual; C. H. Thompson, Reliance Life; C. O. Wilkins, New York Life.

Indiana.

Delegates.—George R. Wilson, Indiana State Life; E. E. Flickinger, John Hancock; Isaac Pinkus, Northwestern Mutual; W. C. Flynn, Massachusetts Mutual; Edward H. Young, Prudential; W. E. Osborn, Provident Life & Trust; W. A. Courtright, Penn Mutual; G. S. Brewster, Missouri State Life.

Alternates.—George M. Spiegel, Pacific Mutual; George Hawkins, Aetna; Joseph Carhart, Columbia National; W. J. Gibbons, Life Insurance Co. of Virginia; Julius Jonas, Northwestern Mutual; B. B. Bobbitt, Phoenix Mutual; E. F. Folsom, State Mutual; P. J. Kelleher, Travelers' Insurance Co.

The Psychological Moment.

A successful life insurance solicitor once said this to us: "More salesmen fail because they talk too much than because they talk too little. They often have their 'prospect' sold, if they only knew it, and then they go ahead and talk to him until he decides not to buy."

Salesmen often ask how they are to know the psychological moment when it comes. There is no hard-and-fast rule, but the best "closers" we know are those who work most on the prospect's side of the fence—who keep in closest touch and sympathy with the prospect—who make the most thorough study of human nature—who have the benefit of the prospect more vividly before their eyes than their own profit. Such salesmen are so harmoniously in tune with their prospects that they read quickly and accurately every shade of expression in the face, every little inflection of the voice, every unconscious movement of the hands or shoulders. They even seem to know intuitively what thoughts and feelings are in their prospects' minds and hearts. A smile, a nod, a restless movement of the hands or a change of position, a fleeting expression in the eyes, a faltering hesitation in the voice, even when the words are negative, may be a signal that the psychological moment has come.

At this time a direct, positive suggestion will oftentimes bring a favorable decision when the sale is hanging in the balance. The successful salesman works from the prospect's side of the fence. The keynote of successful salesmanship is co-operation with the prospect. Finally—and again—remember that true salesmanship is not conquest, but co-operation.—*Prudential Record*.

BUSINESS INSURANCE—A SINKING FUND CREATED TO COVER THE LOSS OF BRAIN POWER.

The Great Problem in Commercial Life Confronting Every Business Is How to Conserve the Value and Profit-Producing Power of Brains.

By WILLIAM KING, Special Agent, Mutual Benefit Life Insurance Company, St. Louis, Mo.

Business Insurance is developing into a paramount consideration of all progressive commercial enterprises. Brain power was never more in demand, never more highly valued, and when lost, never more greatly missed. Business is a battle of brain against brain, and the concern which is in the best position to withstand the struggle is the concern which protects itself with Business Insurance. Mr. King tells you this most convincingly.—Editor's Note.

In opening a discussion of such a proposition, I have always thought it best to offer a few definitions in order that we might have a firm grasp of our fundamentals, and therefore, very properly, I start with a definition of my subject.

Business is the pursuit of any legitimate object for profit. Insurance is a scientific method of distributing risks.

Business insurance is therefore a scientific method of distributing risks involved in the pursuit of any legitimate object for profit.

Notice, gentlemen, the definition of the word "business" introduces the word "pursuit"—it presupposes "action."

What is your conception of business? Is it factories, offices, buildings, machines—or men?

I tell you and you know it is live—red-blooded—fore-handed men—men who do things.

Notice next, gentlemen, the definition of "business" introduces "profit." Would we have business without profits? Perhaps some of us have had such experiences to our sorrow, but dealing with the subject from the broad standpoint—would there be business if it were not for profits? No—undoubtedly no.

What are men?

From the standpoint of your business—men are the producers of profits.

Your offices, your factories, your machines, will earn no profits by themselves—they are the mere means to an end—they are the means by which men make profits.

What Are Profits?

What are profits?

You tell me at once, the difference between cost and selling price. And right here I want to make my first point—what is cost?

You tell me it includes price of raw materials—manufacturing cost—selling expense—overhead charges—and depreciation.

Good—depreciation of what? Buildings, machines, wastes, etc.

Fine—but what of that greatest of all energizers—man?

Is he not from a business standpoint a machine—a machine of brain power? Will he not wear out? Is his life not a store of energy upon which he is daily drawing drafts cashable in profits? Surely.

Then from the standpoint of profits, the great essence of business, should there not be a sinking fund created to cover the loss of brain power—man?

And how better created than by a fund which will immediately produce in profits the loss suffered by the breakage or wearing out—death or retirement—of man?

So much for profits—now let's examine our trial balance. Assets on one side, liabilities on the other—equal to each other?

But are they? Yes—provided man makes them.

Sold for money—will the assets suffer a depreciation?

Undoubtedly yes. But—with man, the directing and driving force—they will not only pay out dollar for dollar, but show profits.

Gentlemen, why is it that so many business houses fail with the death of the controlling brain power? Is it not that the products were sold for less than cost—that no proper depreciation for the brain power was allowed? Why is it that so many so-called successful business men's estates are found bankrupt at death? Is it not that the greatest asset of all—brain power—was not protected for the business?

The great problem then to-day confronting every business is how to conserve the value and profit-producing power of brains.

Brains the Chief Asset.

A few years ago money got scarce up in the camp of the Roycrofters and Elbert Hubbard consulted a New York financier, who agreed to take a bond issue of \$100,000 on the Roycroft plant at par, provided he held a life insurance policy on Mr. Hubbard's life for a like amount. Naturally Mr. Hubbard demanded, "Why the life insurance?" This, according to the "Fra," was the answer: "Your brains are the chief asset in this business. Your mind is a think factory. Your output is ideas. Your initiative evolved the business, and you know the work in every part. The buildings were built and the machinery installed with your mental raw stock in mind. With you there, the value of the plant is reasonably assured. With you gone—it is a conjecture. My people would not consider a loan for an instant without the insurance on your life."

In a few words—this concrete case, gentlemen, you have the whole proposition of business insurance.

The twentieth century is an age of specialized ability. Every business has in its employ men upon whose ability along special lines depends to a large degree the success of the business. Many businesses are organized around one man whose special technical knowledge or business experience makes the stock of a concern a good investment while he lives, but a doubtful one in case of his death. It is due the stockholders that they be protected against this contingency.

Every business has four separate and distinct departments—executive, financial, manufacturing and distributing.

In the smaller business all of these departments may be combined in one man, but in the larger businesses they are generally represented by separate and distinct personalities. Each one of these departments is interdependent of the other. The success or failure of any one of them means the corresponding success or failure of the business as a whole. Therefore it becomes the part of the prudent business man, first of all, to perfect his business organization, and then to protect that organization against destruction or dissolution by the untimely death of any one of the members upon whom the success of the business depends.

A Wise Precaution.

Partners in business should realize that business insurance for the benefit of the firm on the lives of themselves is a wise and reasonable precaution. One partner may possess the technical knowledge upon which the success of the firm depends, while the credit which is enjoyed and is so necessary may be extended because of the financial standing of another party. The death of either would seriously cripple the business, but this would be avoided if the deceased partner left an adequate amount of life insurance payable to the firm. The surviving partner's share of this money could then be used by them to purchase the interest of the deceased partner. These additional funds, too, would insure the credit needed for the further conduct of the business.

Witness the case of George D. Barnard & Company, of St. Louis. Back in 1870 three young salesmen for another house gave up their jobs and opened up for themselves. The firm was called Van Beck, Barnard & Tinsley. To be as safe as possible, each partner was insured by the firm.

In scarcely five years John Tinsley died, but the insurance enabled his partners to buy out his interest from the heirs and to continue.

Shortly after this George Van Beck died, and after the surviving partner, George D. Barnard, had taken care of Van Beck's interest the new firm of George D. Barnard & Company was formed, and its growth attests to the wisdom of these three young salesmen in providing against the loss of brain power.

Time and again the interests of large businesses have suffered severely because of the death of a partner. Capital without brains will not bring success. At the head of every successful business there is a man or there are men whose brains have made and are making that business what it is. Their ability is generally equal to the value of the company's capital. Business success is the result of a proper combination of capital and brains. The lives of such men are an asset to the company, and as such should be adequately insured.

Business Never Independent of Personality.

No business—be it individual, partnership or corporation—is independent of the personality of the man or men who manage and direct it. How can the business or corporation be safeguarded against the untimely death of this man or these men who manage and direct it?

By business insurance.

Business insurance is life insurance applied to the needs of modern businesses.

We are generally prone to consider business insurance with relation to corporations or partnerships, but, gentlemen, business insurance can and does play an increasingly important part in any business.

Consider business insurance carried by a business—be it a corporation, partnership or individual—as a credit factor.

In event there is a bonded debt or other obligation which must be paid in a specified number of years, business insurance may be used as the method for the creation of a sinking fund, and also for the protection to the business of the credit of the member upon whose life the credit of the firm largely depends.

Strengthens Credit.

The president of the Bradstreet Company has said that it is practically beyond doubt that the "taking out of business insurance strengthens the credit of the firm adopting it, and the increased confidence it establishes is recognized and reflected through our reports." Here with me is a statement of a prominent Eastern house made to a commercial paper firm, and in turn furnished by the commercial paper firm to its customers when they purchase the paper of this house. It shows assets of over \$2,000,000—profit and loss of over \$650,000, and then in addition there is this statement: "As a further resource, we hold policies on the life of J. J. Albright amounting to \$375,000, payable to the company."

Most commercial paper reports to-day carry similar statements. Is there need for more evidence?

It is a well-known fact that when loans are made on real estate it is required that proper fire insurance be carried on all the buildings. This is a precautionary step, not so much so because the land itself is not worth the loan, but because those lending want to do business with men of good credit, and fire insurance is directly a protection to the credit of the man as well as extra security.

Why should not bankers, who are lending constantly to individuals, be interested in the added security that would come to borrowers if they carried, in addition to the security they offer, life insurance, the same as fire insurance is added credit and larger protection on real estate loans? It is a question of direct interest to bankers.

Most men will pay their obligations if they live—but suppose they die?

Men do die. Their estates are sometimes settled promptly—sometimes not. A man's credit may fall to a low ebb if

he is suddenly taken off and has no added means of protection for his loans, more than those he had in active life. There are hundreds of loans made in which the activity and earning power of the man instinctively figure in the amount of credit extended to him. J. P. Morgan said on the stand, "Credit is largely a matter of personality—of character. I have loaned millions to men who hadn't a dollar behind them." When this element of credit with him is lost through his death, how profitable it would be to the banker who may be carrying him for a considerable sum if his estate was enriched by a substantial amount of life insurance that would be cash at death.

I believe it is a safe statement to make that some day bankers everywhere will look at this question in a practical way. The extent of a borrower's credit will be measured by the banker according to the extent in which he has life insurance for the protection of his estate beyond ordinary commercial assets.

Value as Credit Factor Inestimable.

And how important is this same thought to you—men who advance large credits, some of them over long periods—are they not based on the personal equation largely? Gentlemen, the value of business insurance as a direct credit factor is almost inestimable.

And again, such insurance also forms a readily convertible cash asset for use in times of financial depression or other emergency. The cash loan values of such contracts are of the greatest importance, since they are available at a time when other facilities for credit may be strained. In 1907 a very prominent St. Louis house which was running close to the wind was strained to a breaking point—they could not raise money to meet their payroll—but business insurance showed the way out. This is an actual case, but the name is withheld for obvious reasons. That firm is still in business to-day.

No one will deny the need of fire insurance to protect the intrinsic assets of any business against the ravages of fire, yet how many men can appreciate and do appreciate the value of the personality which cannot be replaced like the building can which has been burned down.

When San Francisco burned, one of the largest fire insurance companies in Chicago, was forced into the hands of a receiver. The announcement was made late Saturday afternoon, and as a result fire insurance offices in Chicago and other parts of the country were compelled to keep open on Sunday in order to accommodate men who couldn't wait until Monday to reinsure their buildings, which through the suspension of this company were left partially or wholly unprotected.

Fire Improbable—Death Certain.

Isn't it strange that some of these men who were frightened by the thought that a blaze might destroy their uninsured property during the night, will let days, weeks and even months and years pass without covering their lives with needed policies—thus protecting their businesses from loss of brain power? Fire is improbable—death is certain.

In many cases the reason for this delay is the so-called expense. Gentlemen, do you realize that the average rate for business insurance is about $2\frac{1}{2}$ to 3 per cent. of the risk carried? Do you realize that this outlay is not expense? It is an investment. You are certain of a return. The premiums paid out are charged to the firm or business, and correspondingly the cash values created are carried as assets. As a rule, the cash values will ultimately equal the entire outlay—there is no expense any more than there is to depositing money in a bank.

Some men object to such insurance on the ground that the younger man is paying the premium for older men's insurance. He may be, but the risk is greater, and corre-

spondingly the younger man's chances for reaping the benefit of the protection in future years is greater. When the death of the older, experienced heads of business occurs it is fraught with the gravest danger, especially should that death occur during an extension of business, a period of long lease or increase of credit or building operations, or fulfillment of large contracts, or during a period of financial stress.

As a matter of fact, the need for business protection of the older heads is greater than on the younger, just as the need of a reserve fund for rapidly depreciating assets is greater—they will have to be replaced sooner.

It is hardly necessary to add that for the protection demanded a policy of business insurance is the very best safeguard. Nevertheless, some might think that a business should carry its own insurance either as an ordinary asset of the firm or as a bank deposit or as an investment in some form of bonds or other securities. If carried as an asset of the firm it would speedily become involved in the general assets and would not be available when required. If carried in bank there would be the continuous temptation to use it for other purposes or the bank might fail, and if carried in the form of securities the securities might not be easily realized upon when needed.

How It Is Done.

The chief objection to this, however, lies in the fact that you cannot set aside enough cash at the start to provide for ample protection. How can a reserve of from \$650 to \$900 a year provide \$25,000 in gold coin available immediately at death? Only by means of an insurance contract. This payment of a larger sum in consideration of a small premium is the essential element of the insurance contract which gives it the advantage over all other methods for protecting business along the lines we have been considering. The inability of the average business to set aside a sufficient sum in cash all at once as a reserve against time of trouble is apparent to all. Yet the most ordinary business can pay a premium so as to have an ample fund in ready money available in case of death.

What more can be added—simply a question of how much protection is necessary.

As a general proposition the value of the executive heads of any business are equal to the total of the company's capital, and therefore they should be insured for such amount.

However, there are other elements to be considered. The actual productive ability in dollars and cents is perhaps the truest test, since a man on \$100,000 of capital might produce \$10,000 in one case and \$25,000 in another. Certainly, therefore, the value of the men producing the \$25,000 is greater than those who produce only \$10,000.

Depreciation of Assets.

Not only that, but the outstanding obligations of the business must be considered. Certainly enough protection should be carried to provide adequately for the liquidation of the business without great depreciation of assets. The value of the personal equation in credits is of the greatest importance.

Business insurance is the greatest of all safeguards offered to you to-day. It distributes scientifically over a great number of individuals and over a long period of years the risk you take of losing executive, financial, productive or distributive brains—the greatest asset of all business.

It must be remembered that the need for such protection is just as great in the small business, if not greater, than in the large, and I venture the prediction that the time will come when a business without insurance on the lives of its productive heads will be as rare as the uninsured building is to-day.

The great question in front of you men individually is "Shall I wait until then to avail myself of the advantage of such protection?"

WILLS AND THEIR RELATION TO LIFE INSURANCE.**Legal Points of Similarity and Dissimilarity Between Disposition of Property by Will and Its Disposition by a Life Insurance Policy.**

by George H. Noyes, Counsel the Northwestern Mutual Life Insurance Company.

Judge Noyes delivered the following address before the Cincinnati association at its March meeting, and it is a most valuable contribution to Life Insurance literature. J. J. Jackson of Cleveland said at the Atlantic City Convention, "It has been my business the last five years to make over five hundred wills. What has that got to do with Life Insurance? Everything."—Editor's Note.

Request has been made that I address you on the subject, Wills and Their Relation to Life Insurance." To do this within the time limited, it will be necessary to make general statements, omitting such explanations and qualifications as more critical discussion would require.

A will is defined as a legal disposition of property by a competent testator, in the form prescribed by law, to take effect after his death.

In the United States a will is known as a "last will and testament," a redundant combination of English and Roman law terms meaning the same thing, although at Common Law "will" related to a devise of land and "testament" referred to personalty.

Wills were not known in primitive days because rights in land did not exist and personalty was either of little value or was destroyed at the death of the owner as a mark of respect to his spirit; but when property interests became defined and rights vested, wills became necessary in order that the personal wishes of a decedent might be respected and executed.

Past and Present.

In the early days of will-making, owing to the peculiar method of taking titles, a devise of land was an intricate proceeding and a bequest of personalty was almost as hard to make, but in the process of development, statutes, rules and orders of court have so defined procedure that, broadly stated, one may dispose of his property both real and personal as he sees fit, having due regard, of course, for well-defined and recognized statutory restrictions and provisions. There are important incidents connected with the making of a will.

Foremost is that of *legal capacity*.

A testator must be of "sound, disposing mind and memory" under no restraint at the time of executing a will, and while this sounds simple in the statement of the fact, the law books are full of cases in which wills have been "broken," the layman expresses it, because of this lack of legal capacity due to innumerable causes either inherent in the testator or brought to bear upon him from without.

The *form* of a will is important.

One does not have to use necessarily the words "will" or "testament" in order to make one, but if the instrument is executed in proper form and on its face shows it is intended to be a will, it will be so construed.

The statutes of the several States prescribe the formalities of executing a will, and these must be observed to create a valid testamentary instrument.

There is a want of uniformity with respect to what laws govern, depending upon the subject matter of the will.

The general rule, however, is that a will devising real property is governed by the law of the place where the land is situated, while the rule bequeathing personal property is determined by the law of the testator's domicile at the time of his death.

The validity of a trust under a will affecting real estate is to be determined by the law of the place where the land is situated, while the validity and effect of a trust where there is a bequest of personalty primarily is to be determined by the law of the domicile of the testator and not the law of the place where the personal property is situated.

It may be considered a general rule that the meaning and effect as well as the validity of a will involve an inquiry into many questions, all of which are to be determined in accordance with the laws of the State applicable thereto and to the kind of property covered by the will; as to the capacity of the beneficiary to take the property sought to be bequeathed or devised; as to the length of time the title to the property may be suspended, and as to the validity of provisions creating trusts and the enforcement and termination of them.

An inherent and essential element of a will is that it is *revocable* at any time prior to death.

Revocation is accomplished:

(a) By "some specified act" showing the intention, such as burning, tearing, canceling, obliterating or destroying;

(b) By the making of a later will, codicil or other instrument;

(c) By changed conditions in the domestic relations of a testator; and

(d) By alterations in the property before the death of a testator.

It must be borne in mind also, that the purpose for which a will is made must be legal. One cannot accomplish an unlawful thing by merely making his will.

Its Meaning and Construction.

Not the least important feature of a will is its meaning and construction. This is to be sought from the language used in the instrument. Vague, uncertain diction here has no place and the books are filled with cases in which courts have been called upon to ascertain the intention of the maker in order to establish his will when expressed in ambiguous language.

The idea prevails with many that a will is a very simple instrument to prepare. On the contrary, a will may be and usually is one of the most intricate of all legal documents. This is peculiarly the case when there are gifts or bequests depending upon contingencies or when trusts are created. It was said by Lord Coke that "Wills and the construction of them do more to perplex a man than any other learning." An author of high repute has said that fully 50 per cent. of wills contain some obscurity or omission and are open to attack and a large portion of them are found fatally defective.

Disposing of the Income.

Within the limits of the rule against perpetuities, the law recognizes the right of a testator to dispose of the *income* of his property both real and personal, and he may give the income separate and apart from the principal so that the beneficiary may have the income while having no interest whatever in the principal from which the income is derived.

The intention to separate the income from the principal is generally manifested by the creation of an express trust or by limiting the right of the beneficiary to a life interest in the income only.

As to the time over which the payment of an income may extend by will, there is no limit except the rule against perpetuities.

So, too, a will may provide for the payment of an *annuity* or of a specified sum at intervals.

One of the chief points of difference between a gift of income and an annuity is that a gift of income fails if the principal of the estate is not sufficient on investment to pay the income bequeathed, while an annuity does not fail because the net income is insufficient to pay it in full, but any balance may be payable out of the principal. Where, however, the annuity is payable out of the income only of an estate, the deficiency cannot be made up out of the principal.

Bequests of both income and annuities are generally ac-

completed by the creation of a testamentary trust, in which the legal title to the property devised or bequeathed passes to a trustee, while the right to an income or annuity goes to another called the *cestui que trust* or beneficiary.

In order to constitute a valid trust:

(a) Testator must use language showing his intention to pass the *legal estate* to the trustee and the *equitable interest* to the *cestui que trust*;

(b) Testator must indicate a beneficiary to whom the equitable interest is to pass, in terms definite and certain;

(c) The property conveyed must be well defined and the purposes for which the trust is created must be set forth in such clear and definite language that a court of equity can enforce the wishes of the testator;

(d) The subject matter of the trust must be separated and kept separated from all other property;

(e) There must be a trustee competent to administer the duties required by the will.

If the intention to create a trust is clear and the other elements to a valid trust concur, equity will not suffer it to fail for want of a trustee, but the court will appoint one to carry out the will of the testator.

I have thus far spoken of the character and execution of a will.

A Life Insurance Policy Defined.

A *life insurance policy* is an agreement by which a party, for a consideration, promises to pay a certain sum of money to the person insured or to someone designated by him, at a certain time and under conditions specified in such agreement.

It is sometimes said that an insurance policy is a contract whereby for a stipulated consideration one party undertakes to indemnify another against certain risks. This is considered correct with respect to marine and fire insurance, but as to life insurance it is to be defined simply as a contract to pay a certain sum of money upon the occurrence of an event which is sure at some time to happen, in consideration of the payment of premiums as stipulated.

In the modern form of policy contracts, options are now usually given to the insured to elect that payments be made upon maturity of the policy, by death or otherwise, in stipulated installments at various dates in the future instead of in one sum.

A policy containing such provisions is now frequently known as an "income policy."

The idea of an income policy is not new. As early as 1698, more than two hundred years ago, the Mercers' Company in London issued policies providing for the payment of annuities or an income upon the decease of the party insured instead of paying at once the full amount due under the contract.

Payments by Installment.

It is only, however, in recent years that the advantages of payments by installment, either principal or interest or both, have been brought prominently to the attention of the public, resulting in the rapid increase of income insurance both in importance and popularity.

The points of *similarity* between the disposition of property by will and its disposition by *policy of life insurance* may be noted.

Broadly speaking, death is the particular feature of each.

A will, and likewise a policy, if the right be reserved, may be revoked and the beneficiary changed at any time before death. This similarity, however, disappears where the right to change the beneficiary is not reserved in the policy. As to this further reference will be made.

Both will and policy require the same legal capacity on the part of the maker to give them force or to annul them, and each is subject to the rule that nothing illegal can be accomplished.

Above all, each must be explicit in directing how and to whom the property shall be distributed and provision must be made to cover clearly all contingencies.

A will as a general thing is drawn for each individual case and is usually prepared by a lawyer who thoroughly understands the legal meaning and the effect of the words he uses, and the same careful deliberation should be observed in preparing the forms for policies to be issued which provide for the payment of their proceeds in installments to one or more beneficiaries.

Wills and policies are more or less *dissimilar* in the following respects:

Dissimilarity of Wills and Policies.

(a) They are dissimilar in that a will requires certain formalities in its execution and certain proceedings in courts of probate to put it in force. Under a will an executor or trustee gives bond for the faithful performance of the duties of his office, while under a policy the guaranty of fulfillment is based upon the financial condition of the company which issues it;

(b) A will may dispose of both real estate and personal property, while a policy of life insurance disposes only of money, the proceeds being payable after the death of the insured;

(c) The construction and effect of a will bequeathing personal property are to be determined by the statutes and court decisions of the State where the testator lives, while the construction and effect of a policy of insurance are to be determined as a general rule by the law of the State where the insured resides or the policy is delivered rather than by the law of the State where the company issuing the policy is located;

(d) It is sometimes difficult to determine whether a written instrument constitutes a will or whether it is a deed or contract.

In order to constitute a will, two things are requisite:

First—There must appear in the instrument the *animus testandi*, that is, the intention of making a testamentary disposition of property; and

Second—It must be revocable.

A will may deal with any or all of three things:

First—It may deal with the property of the testator either real or personal;

Second—It may appoint an executor to take charge of the estate of the testator and deal with it accordance to the law and the terms of the will; and

Third—It may appoint a guardian for the minor children of the testator.

It is requisite that the instrument express the wishes of the decedent both in its outward form and in reality. It must, therefore, be executed in accordance with the laws of the State or country where the will is executed, or where the property, if real estate, is located, and it must by its terms clearly show that it is to go into effect only at the death of the testator.

Wills Subject to Revocation.

Furthermore, it is the essential idea of a will that it is subject to revocation. This follows from the fact that a will passes no present interest in property devised or bequeathed, the property still belonging to the original owner. He parts with no interest in it whatever by making a will. He still can sell it or exchange it, pledge it or give it away. He may revoke a will already made and make a new one, or die intestate as he pleases. If the instrument executed is such that the maker cannot revoke it, it may be a deed or a contract, but it cannot be a will. If the instrument is a will, it is subject to revocation.

As distinguished from a will, a deed or contract, including a policy contract, when duly executed, takes effect at once and upon delivery passes the title to the property named therein. The test is not the time of *performance* but the time at which by the terms of the instrument a property right under the instrument attaches. The test is not the time of *promise* but the time at which by the terms of the instrument the property right is to attach. If by the terms of the instrument no property right is to attach until the

testator's death, the instrument if properly executed is a will. If the property right attaches during the testator's life, the instrument is a contract even though the time of its performance may be postponed until the death of the testator. Thus an instrument in the following language: "One day after my death, I promise to pay to the order of Nancy M. Jones, two thousand dollars, to be paid out of my estate," was held to create a present liability and hence was held to be a contract and not a will.

The same distinction is made between a *will* and an *order*, the test being the same as that between a *will* and a *contract*. If the interest created is to begin as a vested interest during the maker's life, the instrument is an order, even if the essential results of such instrument are postponed until the death of the maker. But if the interest thereby created does not take effect until the death of the maker, the instrument, if properly executed, is a will.

It has been held that a beneficiary certificate of insurance bearing an indorsement of the holder that at his death his claim should go to parties named therein or to a certain person as executrix for them, was testamentary in character but defective as lacking statutory formalities. The same rule has been held to govern in an assignment of a life insurance policy to take effect after the death of the assignor.

How Policies Differ from Wills.

A policy differs from a will in the following material respects:

There are in the law two distinctive kinds of obligation to pay money. In one the person is bound to pay the obligation out of any or all of his assets; that is the kind which a debtor owes to the creditor.

Under the other kind of obligation a party is bound to pay money only out of a particular fund or out of a particular fund held by him under a relation of trust.

In the latter case the entire property which he holds or owns is not liable to be taken to satisfy his obligation. The person to whom he is obligated must look solely to the particular portion of the property held or devoted to discharge the obligation.

This last kind of obligation creates what is known in the law as the relation of trustee and *cestui que trust* or beneficiary.

A distinctive feature of a trust is the setting aside of a specific fund of money or other property in the hands of a trustee who is required to separate it and keep it separated from all other assets.

Such trustee owes the duty to the beneficiary to hold such property, to invest the same and to retain active control and management of it. It is his duty to see that a certain and reasonable income is derived from this property or fund and to pay such income over to the beneficiary.

An Obligation.

Such an obligation arises out of a will creating and designating a fiduciary estate to be administered by an executor or trustee.

A trust is not created simply because the word "trust" is used in an instrument.

An instrument may be called a "trust agreement" and may designate a person as a "trustee," but if, in fact, he has only the function of an agent or debtor and none of the peculiar liabilities of a trustee, the law will hold him to accountability only as an agent or debtor and not as a trustee.

A legal trust relationship is usually created by will; in some cases by a trust agreement entered into with a trust company.

On the other hand, it has been held in numerous cases both in the State and Federal courts that the relation of an insurance company to its policyholders is not that of trustee, but a simple contract relation of debtor to creditor.

On this theory a suit in equity for an accounting will not lie in favor of a policyholder against a company under a policy contract. This has been held even in the case of a life insurance policyholder of a mutual company where the

company is in possession of and administering the semi-tontine fund belonging to its policyholders.

This difference in relationship becomes important in the consideration of some questions arising under the income or installment provisions of insurance policies. For instance, in a recent publication discussing the subject, "The Income Policy," I find among others the statement that the insurance company should be made trustee inasmuch as "the insured under the monthly income policy files his will as if he were devising that his widow receive for example one thousand dollars per month." And a further statement as follows: "Like a Government pension this income cannot be commuted or lost, neither can it be assigned or encumbered." * * * However large, an estate can be lost, but a monthly income legacy cannot be lost, encumbered, converted, contested, assigned or diverted from its purpose."

The language employed in these statements does not seem to have been carefully considered. It is liable to be misunderstood and perhaps to mislead; it recognizes no qualifications or exceptions, and ignores the diversity of statutes and decisions governing the subject in the various States where the policyholders reside and under whose laws their rights are to be ascertained and determined.

Income Tax Law.

In the publication referred to there is the further statement that the "interest feature is not burdened with taxes," thus conveying the impression that the income or installment payments received by the beneficiary under the option settlements are not subject to taxation. This position evidently would convey a false impression, especially in States which now have or may hereafter have an income tax law in force. Much, of course, depends upon the wording of the statute, but there is no reason why it may be claimed that such income is not taxable in the same way and to the same extent as the income or interest derived from a note, mortgage or any other similar contract.

My attention has been called also to the following statement in another document discussing the service rendered by the options of settlement. Speaking of the two plans provided in the settlement of policies, it is stated: "Of these two fundamental plans, there are sundry varieties and combinations to fit all kinds of protective purposes in all future contingencies." * * * It really protects the family to the very end of their lives and even to a generation unborn. It does for the family of the wage-earner or salaried man what no other machinery will do at all. For the rich man's family it does the main service that he has sought through trustees or trust companies, and does it better and carries it further."

An Exception Taken.

A moment's reflection, I think, will satisfy one that the statement so made is too broad, and that it cannot be claimed that these policy provisions can be framed and used so as to fit "all kinds of protective purposes in all future contingencies," and that the services rendered by them are better and carry protection further in all cases than those which may be obtained through trust provisions inserted in a last will and testament.

I have already alluded to the fact that revocability is one of the essential tests of a will, and that this results from the fact that the will speaks from the death of the party rather than the time of the execution of the will. This is not the case with respect to a policy of life insurance.

A policy becomes effective at the date of its execution. "A policy and the money to become due under it belong to the person or persons named in it as the beneficiary or beneficiaries and there is no power in the person procuring the insurance by any act of his, by deed or by will, to transfer to any other person the interest of the person named." (Washington Central Bank v. Hume, 128 U. S. 195-206.)

Such a policy is an entire contract even though the premiums are payable in installments; each installment is a part of the consideration of the entire contract and the property

in such policy must have an owner in whom it is vested from the very moment when it is made.

Upon the execution of the policy the beneficiary receives a vested interest which may not be diverted or lost except by the voluntary act and consent of such beneficiary. Hence it follows that the policy or its proceeds if payable to a person other than the insured or his estate may not be disposed of by the will of the insured, which takes effect only upon his death.

There is one State in which a different view prevails. In Wisconsin for many years it has been the rule of the courts that one who has procured a policy of insurance upon his own life for the benefit of another and has paid the premiums thereon as they become due, may dispose of the insurance money by will to the exclusion of the beneficiary named in the policy, except where such beneficiary is the wife of the insured.

The rule on this subject is not deemed of so much importance at the present time, as in the past, inasmuch as it is now usually optional with the insured when taking out a policy to decide whether he will create in the beneficiary a vested interest without right of recall or revocation, or whether he will reserve the right to change the beneficiary, thus retaining his control over the policy and its proceeds.

This right to change or revoke is of great importance to the insured in exercising the options given him with respect to the time and manner of payment of the proceeds of the policy upon its maturity.

Departure from First Principles.

We have departed a long way from first principles in life insurance. From a simple contract to pay a fixed sum on the death of the insured the policy has been liberalized until to-day there are hundreds of forms in use by the several standard companies, and a score or more of separate and distinct purposes for which policies may be written. The Massachusetts Commissioner of Insurance in 1906, referring to the fact that a certain Massachusetts company had over two hundred forms of policies, said: "Most of them are complicated and unusual, and were designed not to meet a demand but to create one for certain 'frills' which the persuasive agent sets before the public as the best thing yet in life insurance."

As showing the purposes for which life insurance may be used, a recent speaker outlined no less than twenty-two, among them being the following:

To provide an estate for the benefit of all creditors at the time of death;

To provide a fund for distribution by last will and testament;

To provide a fund for bequest to school, college, hospital or other eleemosynary institution;

To provide a definite income after the death of the insured to his wife as long as she lives and after her death to children of the insured;

To indemnify survivors against loss of a partner's services;

To provide liquidating assets in the event of the termination of a partnership by death;

To provide a fund payable to surviving partner to purchase the deceased partner's interest;

To safeguard credit loans for temporary business purposes which may be readily obtained if the creditor is guarded against the effect of death;

To make a satisfactory answer to the inevitable question, "What effect will A's death have on the business?"

To indemnify for loss of a valued employe whose skill, technical knowledge, etc., make him a valuable asset; and

To provide funds for the repayment of bonds, the policy taking the place of a sinking fund.

It would appear from the above list that there is ample field for the writing of life insurance in this country.

Under the laws of many, if not most, of the States, life insurance companies are obliged to submit their policy forms to the Insurance Departments for approval and are permitted to issue only such policies as shall conform to the forms so approved. It is designed that these forms shall cover the

normal requirements of the insuring public. These forms contain provisions as to optional settlements, designation of beneficiaries and contingent beneficiaries, payment of income and of installments of principal, which meet all the wants and conditions of the average man desiring such periodical payments—perhaps of 90 per cent. of those desiring income insurance.

Some prospective insurers, comparatively few in number, may ask for special, unusual and peculiar provisions to be inserted in the options in policies, which provisions differ in essential respects from those prescribed and adopted by the company and approved by the Commissioners of Insurance.

It is doubtful whether the officers or agents of a company may properly insert such provisions in the options and thus change the forms so adopted and approved. It is, however, certain that to do so would violate the anti-discrimination statutes, unless these special privileges were offered and given to all other policyholders desiring them.

Such unusual or peculiar provisions, nevertheless, could be covered by a testamentary instrument.

It would be best for the company and for all parties concerned that in such special cases the policyholder be advised to take legal counsel and have his wishes embodied in a carefully prepared last will and testament.

Obscure and Insensible Words.

If, as an eminent writer says: "Grave doubts and controversies daily arise in devices made by last wills in respect of obscure and insensible words and repugnant sentences," and if, as the fact is, the validity and construction of an instrument in writing, be it a will or a policy of insurance, depend to a large extent upon the statutes and decisions of the State where the testator or policyholder resides, great care should be taken lest the intention of the maker be defeated and protection to his beneficiary or beneficiaries be lost by reason of obscure, uncertain or invalid provisions in the instrument intended for their benefit. No company wishes to issue a policy containing, nor does any policyholder wish to have indorsed on his policy, provisions which may be held illegal or void for uncertainty, especially in a case where such questions may arise after the death of the insured and where his wife and children as beneficiaries may be called upon to defend their interests without the advice and assistance of the one who undertook to provide after his death for their protection and support.

Furthermore, it is well to consider what the increase in this particular line of service means to agents as well as to the Home Office as the years go by and the beneficiaries as well as the payments, quarterly or monthly, increase, especially in complicated or long-drawn out cases.

It means a vast amount of work, expense and time; it means that agents will have to keep track of and identify these beneficiaries, and see to the proper installment payments. They will be required to do more or less clerical and even detective work, and while they may find that it is no great present disadvantage to them to do this, it is conceivable that it may become very burdensome and expensive to agents in the field as well as to the Home Office when settlements and payments, a thousand-fold larger and more numerous than now, are to be made in the future, covering perhaps a period of twenty-five, perhaps fifty years, or more.

In closing this brief consideration of an important subject, I need not add that I believe in the higher efficiency and service of life insurance: I consider the optional settlements a valuable feature of that business and that a company is clearly within its rights and duties when it offers them to the insured for the protection and service of his widow and children. However, great care should be exercised by companies and their agents not to mislead by word or deed those who wish to avail themselves of the benefits of these options, nor to extend their provisions beyond the purposes expressed or intended in the policy contract.

An income policy has abundant merit in its own right. As has been aptly said: "It has plenty of advantageous points of its own without parading in borrowed plumage."

A LARGE ACQUAINTANCE

By ROBERT J. MIX

Manager Prudential Insurance Company, New York City

Question No. 1.—What is the most valuable asset that a LIVE Life Insurance Agent can have?

Answer.—“A LARGE ACQUAINTANCE!”

Question No. 2.—Is it within the power of EVERY Live Agent to have a large acquaintance?

Answer.—YES!

Question No. 3.—How hard are YOU trying to make new acquaintances EVERY DAY?

Answer.—I don't know the answer to that question—but YOU do, and EVERYTHING HINGES on the kind of a reply that you can truthfully make!



HY, gentlemen, I'm almost prepared to say that I believe the majority of those who read this article don't make a conscientious effort to make **EVEN ONE** new acquaintance **EVERY DAY!** How **COMPLETELY** that explains the failure of many Agents to do a larger business! It seems to me that every Agent ought to try to make at least **FIVE** new acquaintances **EVERY DAY!** Suppose, for instance, that you go to a man you know very well, or even slightly, and, after a little friendly chat, say to him: "Look here, John (or 'Mr. Brown,' if you don't know him well enough to call him 'John'), I want to ask you to do something for me—give me the name of some one man who you think will grant me a courteous interview. If you object to my talking Life Insurance to him, I'll agree not to do it unless he opens the subject himself. My stock in trade is my acquaintance—the more people I know, the more business I can do!"

Now, I'll venture to say that pretty nearly every man you know will give you the names of a few friends if you'll agree to use them in the way I've described. In lots of cases you can secure a card of introduction. Don't you see—that gives you a chance to approach these new people **IN A PLEASANT WAY**—you don't jump on them at once with the request for an application—your man's mind hasn't yet had a chance to close up—he hasn't had an opportunity to say "No"—and, ten to one, if you're agreeable and smiling and show an interest in **HIS** business, before you get through your interview he'll want to know what **YOU'RE** doing for a living! Thus, the subject of "Life Insurance" will come up in an entirely natural way, and your man will be ten times as likely to do business with you as he would have been if you had gone right plumb at him (without an introduction) with a request for his application. **YOU'VE GAINED A GOOD HEARING, AND THAT'S THE MOST DIFFICULT THING IN LIFE INSURANCE FIELD WORK.**

I fear that most Agents try to **DRIVE** men into taking out a policy—instead of **LEADING** them to it! There comes a time when you **HAVE** to get into first speed and bring pressure to bear, but you can lead up to that point gradually, gracefully and in such a manner that you haven't provoked the abrupt "No," which is so hard to overcome after it has once been uttered.

I would say that the securing of **FIVE** new acquaintances is not only a very important but a very **ESSENTIAL** part of what might be called "a good day's work." I'm supposing that the Agent has brains enough, and tact enough, to make a good impression upon every person he thus meets, for, of course, if he hasn't, there's no place for him in the Life Insurance business, anyhow—it's a business that **DEMANDS** brains and common sense!

Oh, there's no doubt about it, my friends—every man who is selling Life Insurance to-day ought to make a **SPECIAL EFFORT**—ought to make it a **PART OF EACH DAY'S PROGRAM** to make from one to several **NEW ACQUAINTANCES!** **HOW I WISH YOU WOULD ACT UPON THIS!**

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LIFE INSURANCE AGENTS.

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ARTICLE II OF THE CONSTITUTION.

"The object of this association shall be to advance the best interests of the cause of true life insurance."

Address all communications to

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Telephone, 4944 John.

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THE CINCINNATI CONVENTION

Elsewhere in this number will be found an account of the plans which have been made for the Cincinnati Convention—the Twenty-fifth Anniversary of the birth of The National Association of Life Underwriters. An outline of the program is also given. The program is the result of a year's careful study by the officers of the National Association as to the needs of the great army of field representatives of life insurance.

Representing, as it does, the instrumentalities through which it is proposed to solve the two present-day problems—the apathy of the public and the monstrous burden of taxation—it behooves every man in the field to give thoughtful consideration to these subjects, and to ask himself, "Wherein do these matters affect me?"

To assume an attitude of cynical indifference will but furnish the gas to inflate the balloons of pompous conceit. And even casual observation convinces one that there are far too many, shall we say—gas bags—visible in the life insurance firmament. When Emerson told us to "hitch your wagon to a star" aviation was a dream of a rattle-brained inventor, and the idea he probably desired to convey was to point to the necessity of high ideals in contradistinction to the heights attained by means of the propelling power of the ferment of fatuous self-sufficiency. We sometimes speak of a person as being "hoist on his own petard," and this expresses the same idea through the medium of a different figure.

The balloon type of life insurance agent is seldom found in the ranks of local associations. He flies banners and streamers bearing words similar to these: "I'm from Missouri," "You can't tell me," "Tell it to Sweeney." While branded with slang, for that very reason he appeals to the crowd. Every flight is preceded by a band concert, and the piece de resistance in the program is "Every Little Bit Added to Whatcha Got Makes a Little Bit More." The unfortunate part of the matter is that this type of agent, for a time at least, exerts considerable influence. His operations are spectacular, and as his own press agent he is without a peer. He fascinates the new agent by his reckless indifference to established procedure and his dare-devil independence.

The balloon solicitor eventually collapses, but before this happens he has poisoned the minds of many with whom he came into contact, and never has he intentionally lent his hand to constructive field ethics through the means of the life underwriters' association in his community.

Therefore it can easily be seen that the solicitor possessing these characteristics has convinced him-

The Time—NOW. The Place—PACIFIC OAST and The Man—WARD of The Pacific Mutual

"COME TO THE PACIFIC WITH WARD," Mr. Agent, and sell life insurance for the
PACIFIC MUTUAL LIFE INSURANCE CO.

Write H. H. WARD, Manager Pacific Northwest

Title & Trust Building, Portland, Oregon

Hoge Building, Seattle, Washington

self that the annual conventions of The National Association are amusing to children in the business, but as for him it would simply be a foolish waste of time to say nothing of an unmitigated bore. But he forgets that the most dominant figures in the life underwriting world are members of local associations, and that such men have in former years regarded their own attendance at a national convention as an investment the value of which did not permit of computation in dollars and cents.

Indeed, the time has passed when the men most prominent in The National Association attempt to find in their personal production or in their agency production results which are directly traceable to the annual conventions. The benefits which have accrued have been so apparent that this particular phase of the convention is now taken for granted. Since The National Association has taken the public into its confidence, attendance at its conventions becomes not only a duty to the solicitor, not only a duty to Life Insurance as an institution, but above all it has become a duty to Society.

Perhaps it should be said that the love of life insurance commissions is at the root of all evils of the business. The agent with his nose so close to the trail that he can see nothing but commissions is not a credit to any local association. We know, of course, that we may hold a penny so close to the eye that we will be unable to see the sun. We also know that we may stand so close to one tree that it will shut out a view of the forest. These are both self-evident truths, but the same principle is applicable to the national conventions. Commissions are necessary, and it cannot be denied that life underwriters find them quite useful; but commissions at too close range utterly eclipse Life Insurance as it should be viewed, and Life Insurance as it should be viewed is Life Insurance as you find it at a national convention.

It is a matter of great difficulty for the man who "knows it all" to see things from this viewpoint. He has touched humanity at one point only—a hard and cold exchange of contract for coin. To him this transaction is all there is to Life Insurance. He is mentally isolated in a circumscribed mercenary cell of his own selection, and his spirit has never felt the electrifying touch of service.

This is where the annual convention plays its most important part, for to enter into the spirit of

the convention means the metamorphosis of the weakling, obsessed with his own importance and blind to everything except commissions, to a broad-gauged, liberal-minded counselor in the safest and surest institution of modern civilization. The annual conventions do not neglect the matter of commissions, for at no other meeting of life insurance men is there such a profusion of practical addresses and short talks as to the technique of the fountain pen in its relation to the dotted line. But the conventions place commissions in their proper niche, as but a necessary part of a transaction which for the solicitor never ends.

Cincinnati is easily accessible from every city and town in the United States and Canada, and the convention will be held at a time of the year when it is convenient for the great majority of life insurance men to attend. The table is spread and you are invited to the feast. Will you be one of the many present, or will you be one of the few who stay at home? Turn to Act I, Scene II, of The Tragedy of Julius Caesar, and ponder over the mighty truth in this:

"Why, man, he doth bestride the narrow world
Life a Colossus, and we petty men
Walk under his huge legs and peep about
To find ourselves dishonorable graves.
Men at some times are masters of their fates:
The fault, dear Brutus, is not in our stars,
But in ourselves, that we are underlings."

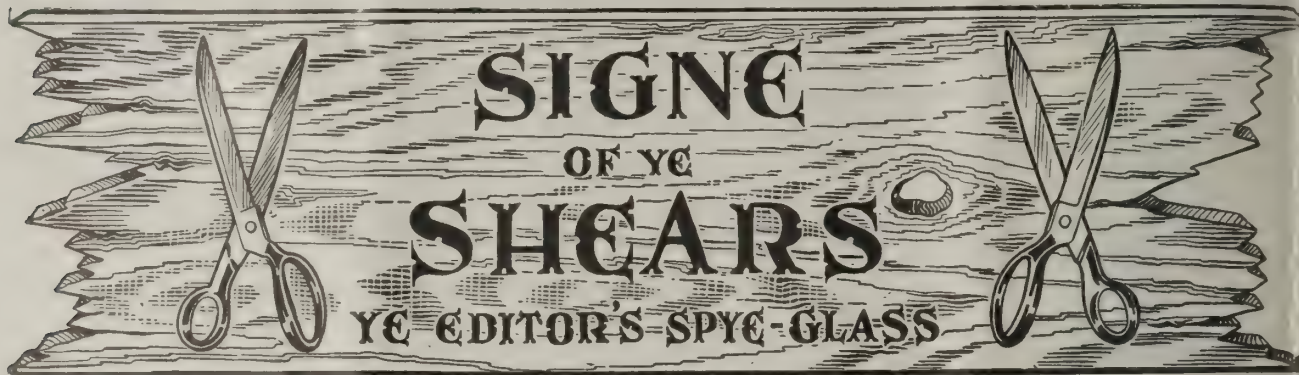
THE Corresponding Secretary desires to
acknowledge the receipt of the follow-
ing manuscripts, which have been submitted in
the Prize Essay Contest:

ESSAY No. 051

ESSAY No. 7½

ESSAY No. 41144

Members of local associations who contemplate submitting essays should bear in mind that no manuscript will be considered which does not reach this office on or before August 15.



Federal Supervision.

We hear much nowadays about Federal Supervision. But the agitation for Federal Supervision is by no means of recent birth; rather should it be regarded as the outcome of an idea which has existed since life insurance was still in its swaddling clothes. As to the truth of this statement we have but to refer to the tenth report of the Massachusetts Insurance Department, by Elizur Wright, in 1865, in which that famous actuary said in part:

We see how rapidly the business of life insurance is developing itself in the United States by that portion of it which comes within the narrow scope of our office (referring to the Massachusetts department). Supervision is but the exercise of a State right of self-defense. Yet if the legislation of Massachusetts were copied in every State life insurance companies would either be confined to too narrow limits or would be embarrassed with a vast amount of needless labor and expense. Inasmuch as insurance is a general interest, and every insurance institution should be secured as much as possible against the operation of local causes, it is difficult for us to perceive why the supervision of all insurance companies of every sort intended to operate beyond the limits of State lines should not be a function of the general government. Simplicity and economy alone seem to require it, and since the citizens of every State do, as a matter of fact, largely avail themselves of their Constitutional right to the privileges of citizens of other States, it may well be questioned whether in regard to life insurance, especially, any State can protect itself so well as it might be protected by the general government.

The gradual growth of the movement, according to Hon. Burton Mansfield, Insurance Commissioner of Connecticut, who discussed this subject at the seventh annual meeting of the Association of Life Insurance Presidents, was as follows:

Attempts by legislation to procure this result have been numerous. In June, 1866, a bill was introduced into Congress by Mr. Lawrence, of Pennsylvania, calling for Federal control of insurance companies. According to Mr. Dryden, this was the first bill of its kind to be thus presented. Up to 1905, when Mr. Dryden's own bill was presented, twelve similar bills had already been introduced at various sessions. Most of these, after reference to their proper committee, were never heard of again; some were adversely reported; but none, so far as I can learn, received favorable consideration. In 1905, also, President Roosevelt suggested an inquiry into the Constitutional right of Congress to regulate the matter. The time was especially propitious for such a suggestion, and a decidedly new impetus was given to the whole subject, the American Bar Association and sundry organizations of trade pronouncing themselves strongly in favor of the measure and calling for definite action. Many commissioners have also favored it. The commissioner of Wisconsin, for instance, in 1905 expressed himself as a firm believer in national supervision, and outlined the scope of such a plan very carefully. * * *

Some of the other commissioners who have from time to time advocated Federal supervision have been Mr. McCall, of New York; Mr. Durkee, of Illinois; Mr. Fricke, of Wisconsin, and Mr. Vorys, of Ohio.

Darwin P. Kingsley, president of the New York Life, is the acknowledged champion of the cause. He is to a great measure responsible for the effort now being made to arouse life insurance men and the public at large to the evils which have followed in the wake of 48 varieties of State supervision. Edward A. Woods, in the Taxation booklet recently compiled by him as vice-president of the National Association, asks these questions:

Why should life insurance with its nation-wide operations be the one business subjected to examinations, supervision and different rates and kinds of taxation by 48 different States, at the policyholders' own expense? What other business could stand it? Would national banks stand 48 different systems of costly supervision?

So far as our knowledge extends, Mr. Woods has made no public utterance in support of Federal Supervision, and simply because there seems to be a ready and sufficient answer to his queries does not commit Mr. Woods nor the National Association to the advocacy of Federal Supervision. Mr. Woods is interested in eliminating, or at least reducing, life insurance taxation; but by inference we may assume that if this great burden would yield to nothing but Federal Supervision then Mr. Woods would lend his voice in a plea for it.

However, there is an impression, which is steadily gaining ground, that "America's Great Burden on Thrift and Providence" can never be removed or adjusted to a fair basis unless there be one general system of supervision.

Undoubtedly the most conclusive argument for Federal supervision which has recently appeared is Mr. Kingsley's open letter to Commissioner William L. Hathaway, of the World's Insurance Congress. While it is intended to suggest a topic for discussion and action at the Congress, it is a document of distinct value to life underwriters who desire to be abreast with the times. Whether or not one believes in Federal Supervision, let us be informed as to what it is supposed it could accomplish. Mr. Kingsley's letter follows: Mr. W. L. Hathaway, Commissioner World's Insurance Congress, San Francisco, Cal.

Dear Sir: San Francisco is one of the necessary cities of the world, but that the Panama-Pacific Exposition of 1915 is to be held within her gates is attributable in very large measure to insurance and its singular service.

I do not say that San Francisco would not have been rebuilt in any event, but the difference between San Francisco as it is and San Francisco as it would have been if insurance had not almost immediately provided its stricken people with \$190,000,000 after calamity fell, is something so considerable that, while we may not exactly measure it, everybody must recognize it. Of this \$190,000,000 nearly \$60,000,000 came from across the Atlantic. In other words, the foundations of insurance were wider than the nation, wider than the continent, and the means thus provided for reconstruction of San Francisco were adequate because of a substantially unrestricted operation of the insurance idea.

No idea, therefore, of the many which will be discussed and advanced during this Exposition will so well harmonize with its environment as insurance.

A great fact with which the coming World's Insurance Congress will be faced—indeed the greatest fact—is that insurance of all types in the United States is seriously menaced at the present time by conflicting and hostile governmental regulations which threaten—indeed have already begun—to impair its usefulness.

We all know that the Constitution of the United States was the outgrowth of commercial necessity. The original colonies did not form the Union because they wanted to. In commercial matters they hated each other cordially. After they had won independence they indulged in acts of commercial reprisal which seem to us at this distance almost unbelievable. In order to vent their spleen, some of the colonies discriminated in favor of European nations as against their sister colonies. The menace of outside interference finally became so real and the danger so imminent that the colonies were compelled to put aside some of their animosities in order to get together for the common defense. The Constitution of the United States adopted in 1788 was the result of this movement. If at that time the people of the various colonies had understood how flexible the instrument was, how nationality would spring up under it, how the central government would gradually develop a real sovereignty in place of the spurious sovereignty with which they deluded themselves—they would not have adopted it.

The notion that the colonies were severally sovereign—which was never true—survived the birth of the new nation and has plagued it ever since. Nationality has slowly but surely evolved in the intervening years, but the old prejudices and the old animosities have steadily fought that development.

Chief Justice Marshall had a clear vision of nationality and in some of his great decisions did as much to give the Constitution its present meaning as the men who fashioned it in that immortal convention in Philadelphia. Marshall's definition of the relation between the general government and the States was substantially this:

The action of the general government should be applied to all the external concerns of the nation, and to those internal concerns which affect the States generally; while to the States is reserved the control of those matters which are completely within a particular State, which do not affect other States, and with which it is not necessary to interfere for the purpose of executing some of the general powers of government.

If the Supreme Court had adhered to that doctrine, the conditions which threaten the usefulness and efficiency of all kinds of insurance would not to-day exist, but unfortunately in 1868 the court fell into a great economic error in declaring that insurance was not commerce. It repeated the error, as courts are all prone to do, from time to time; but as the question in its modern relations had never been fully presented to the court, it was hoped when a fresh case, involving no other issue, was presented, the court might—as it has done many times in other matters—reverse its earlier decisions and declare, as the interests of the public clearly demand, that insurance is commerce. Those who hoped for that result perhaps overlooked the force of inertia. They did not properly appreciate the restraining power of established practices and accumulated precedents. If insurance were declared to be commerce, down would go the whole fabric of State supervision, and away would go something like \$17,000,000 or \$18,000,000 taken annually by politics from the prudent people who through insurance protect their business and their families. Supervision by 48 separate States involves political patronage and great political power. To annihilate by a single decree a system so entrenched required courage of the highest order. Two of the court faced the facts and stood for the doctrine (*N. Y. Life Ins. Co. vs. Deer Lodge County, Montana*) that insurance is commerce; but the majority adhered to the precedents and by so doing shut the door to

any relief under the commerce clause of the Constitution as it now stands.

This was a heavy blow to insurance, and served to emphasize an increasing peril. To be supervised by 48 separate masters, each of whom claims substantial control over all transactions wherever had, means, for that business, a recurrence of the hostilities, the animosities and the commercial impotence which menaced the colonies prior to the adoption of the Constitution.

Under such conditions it is rather remarkable that companies were able, up to within a few years, to comply with the conflicting requirements of all these masters and do business in all the States. Some seven years ago substantially all the life companies were driven out of Texas because of drastic local legislation. Since that time fire companies have had serious troubles in Missouri and are now having great difficulties in Kentucky.

With our highest court explicitly denying to the Federal Government any jurisdiction whatever over insurance, the notable thing is not that we are now having trouble, but that we did not have it earlier.

Insurance long ago began an agitation looking toward an amendment to the Constitution—an amendment which would clearly place amongst the enumerated powers of Congress the authority to control insurance within the States, Territories and possessions of the United States. Since the Supreme Court has again and finally declared that insurance is not commerce, the agitation has been renewed.

The agitation has taken on new life because of a decision by the Supreme Court, handed down recently, in which a statute of Kansas is upheld which gives the Superintendent of Insurance of that State authority to fix fire insurance rates. Of course if the Legislature of Kansas can fix fire insurance rates, it can fix life insurance rates, and the rates for every type of insurance. Indeed, one of the Justices, in dissenting, said of the opinion, that it

* * * is not a mere entering wedge, but reaches the end from the beginning and announces a principle which points inevitably to the conclusion that the price of every article sold and the price of every service offered can be regulated by statute.

Insurance, therefore, finds itself in this position:

It seeks to do business in all the States; indeed it must if it works efficiently and successfully.

The basis of the structure must be broad—broader, much broader than any State, broader than any half dozen States; indeed added strength comes if the basis is broader than any nation.

But it is told by the Supreme Court, first, that it can operate in the various States only by their permission, and on such terms as they severally establish; and, second, that, operating in that fashion, it is subject not merely to regulation in the ordinary meaning of that word, but to the exercise of an authority which may fix the price at which it shall sell its wares—in other words, to the same authority under which a person's property may be taken for the public good.

To the doctrine that States may fix insurance rates two Justices dissented strongly, and as evidence that the insurance contract had always been considered a private contract and not impressed with any public necessity, they cited the fact that no State had earlier attempted to exercise such authority. The distinguished dissenters overlooked the fact that the State of Wisconsin some years ago fixed a maximum basis for the premiums of life insurance, not only for that State but incidentally and necessarily for all the States. For a life insurance company to charge a different rate in different States would be so impracticable that business would be impossible. The dissenting Justices overlooked this precedent because it has not since happened that any other State has been moved to do a similar thing, and no test of the validity of the statute has been made. But since the Wisconsin statute was passed life insurance has been keenly alive to what would happen if other States should take like action. Our highest court now says that all the States have authority so to act.

In these circumstances insurance is as certainly menaced by the animosities inevitably and always provoked by the doctrine of States' rights as the commerce of the colonies was before the birth of the nation. Relief must be had. The great problem before all insurance is:

Along what lines shall relief be sought?

Encouraged by the dissent in the Deer Lodge case, many strong men believe that if Congress could be induced to pass a statute taking charge of insurance when it involves the citizens of more than one State, the Supreme Court—notwithstanding its earlier decisions—would sustain such a statute. In other words, it is one thing for the court to pass on an abstraction and another to pass upon a Federal statute. Two of the court in passing on an abstraction said that insurance is commerce. It is altogether probable that others hesitated, and that hesitation would have been resolved in favor of the co-ordinate branch of government if that co-ordinate branch, in the exercise of its discretion, had declared for Federal control of insurance.

But upon the whole, and in order to reach a conclusion that will be unequivocal, insurance opinion rather leans toward an effort to secure an amendment to the Federal Constitution which will specifically put all insurance done in an interstate way under the control of Congress.

In justifying the court's action in upholding the validity of the Kansas statute, Justice McKenna draws a striking picture of the character and usefulness of fire insurance, seeking to drive home its great importance and enforce its public relations. His word painting may or may not justify the doctrine that a State may fix rates, but it clearly proves that if any power is to fix rates in this country, it must be the Federal power and not the power of the separate States. He says:

The effect of insurance—indeed, it has been said its fundamental object—is to distribute the loss over as wide an area as possible. In other words, the loss is spread over the country, the disaster to an individual is shared by many, the disaster to a community is shared by other communities; great catastrophes are thereby lessened, and, it may be, repaired. In assimilation of insurance to a tax, the companies have been said to be the mere machinery by which the inevitable losses by fire are distributed so as to fall as lightly as possible on the public at large, the body of the insured, not the companies, paying the tax. Their efficiency, therefore, and solvency are of great concern. In other objects, direct and indirect, of insurance we need not mention. Indeed, it may be enough to say, without stating other effects of insurance, that a large part of the country's wealth, subject to uncertainty of loss through fire, is protected by insurance. This demonstrates the interest of the public in it and we need not dispute with the economists that this is the result of the "substitution of certain for uncertain loss" or the diffusion of positive loss over a large group of persons, as we have already said to be certainly one of its effects. We can see, therefore, how it has come to be considered a matter of public concern to regulate it, and governmental insurance has its advocates and even examples. Contracts of insurance, therefore, have greater public consequence than contracts between individuals to do or not to do a particular thing whose effect stops with the individuals.

The distinguished Justice, in this impressive description of the service to business and society rendered by fire insurance, described at the same time the service and the nature of every conceivable kind of insurance; but he apparently did not perceive that what he described existed and was being justified only because the State powers, which the court then confirmed, had not hitherto been exercised. The Justice, in other words, based his decree on the existence of a service and a relation which will hereafter be gravely limited and embarrassed, if not largely destroyed, by that self-same decree. *If the States had from the beginning exercised the rate-making power, in addition to current regulations, we*

should now have in this country no great fire insurance companies, no great life insurance companies, no great fidelity or surety companies—just as we should now not be a nation if the Confederation had not been abandoned and the Union created.

Where the exercise of a named authority will certainly diminish, if not substantially destroy, the matter on which it operates, either the thing to be so governed is not entirely useful or the authority to be so exercised is not entirely wholesome. For our highest court to find in the wide usefulness of an idea warrant for the confirmation of an authority which will destroy that usefulness is a curious judicial development. The majority opinion leaves no doubt as to the entire usefulness of insurance, while the strong minority opinion leaves no doubt as to the unwholesome character of an authority which will establish 48 separate rate-making powers.

What other thing, therefore, so distinctive, what other topic so vital, what other matter so certainly related to the future of business can your coming Congress so well deal with?

Merely to meet and discuss old topics—such as management and taxation—will have a limited interest. To seize boldly on this situation, to speak in no uncertain tones with regard to it, to pledge, so far as you properly can, all the powers of insurance in its various forms and through all its vast organization to a campaign in favor of a Constitutional amendment of the character indicated, would be at once an act of leadership and of statesmanship.

I commend such action to your careful consideration.

Yours truly,

DARWIN P. KINGSLEY, President.

"Nor Any Other Person."

From time to time we have given considerable space to the operations of the J. F. Kight Audit & Abstract Co. The last accurate information of Kight was to the effect that he was indicted for violating Section 29, Act of June 1, 1911, of the laws of Pennsylvania. The indictment recited that Kight was found guilty of making misleading representations and incomplete comparisons of two insurance policies issued by a New York company, with the intent of inducing the policyholder to allow them to lapse.

In many States there exists a law against misrepresentation of policies, but it is so framed that a "disinterested adviser," as Kight sometimes claimed to be, need have little fear of punitive legal procedure. The loophole of escape was in the fact that this law simply prohibited companies, company officers and agents thereof from making such misrepresentations. As Kight claimed that he was not a representative of any company, he could not be indicted. The New York law, however, goes one important step further. It has this phrase in addition to the above, "*nor any other person.*" The New York law, embracing this important phrase, was re-enacted in Pennsylvania, consequently the action as noted above was taken.

The Life Insurance Independent in its June number calls attention to this matter and says, in part: "We have repeatedly urged the life insurance men of the country, more particularly the life underwriters' associations, to secure the re-enactment of the New York law in their respective States regarding misrepresentation of legal reserve policies."

It is a good idea, and so we are passing it along in the hope that the point will not be missed by the legislative committees of the various local associations.

The comment in *The Life Insurance Independent* was supported by an account of some of the literature being issued by the "National Association of Life Insurance Policyholders," with headquarters in Chicago. Whatever this concern may be, its methods are practically identical with those of the notorious Kight, for this is a sample of one of its announcements:

There are gross injustices and unwarranted discrimina-

tions being practised by Legal Reserve Life Insurance Companies; for example, why should one policyholder be required to contribute one-third more for managing expenses than another on the same form of policy where the same benefits are to be derived? Why should a policyholder be induced to pay in advance for his insurance to age 96, when there are only three chances out of 100,000 for him to live to that age? Why should one policyholder be required to pay \$104 for the same identical benefit that another can purchase at the same age for \$12.25? Why should the insured pay premiums on a policy when it is impossible for him to receive the benefits for which he is paying? These are only some of the many injustices being practised. * * *

There are very few policyholders who understand even the first principles of LIFE INSURANCE, and there are very few of them who have the time to devote to the study of the same (which will enable them to gain a comprehensive understanding of their policies). * * *

Some companies charge \$38.30 per thousand for a 20-year payment life policy, while the same form of policy, giving the same benefits, can be purchased for the average premium of \$36.25 in a company just as secure and perhaps under more favorable policy conditions. While the difference in premiums of \$2.05 per thousand each year seems very small, yet were the insured to purchase a \$10,000 policy, the difference in premiums would amount to a large sum at the end of 20 years.

Following is a paragraph taken from the certificate of membership, and therein is revealed the entire scheme.

To furnish an abstract showing the future results to be obtained, on any sample policy of insurance to be purchased and also an abstract giving specific information regarding policies of insurance, or settlements to be made thereon, for which the following fees will be charged: Sample policies, \$2; policies of insurance where a saving can be made for the insured, \$3 per thousand for first \$25,000 or any part thereof, \$2 per thousand for the next \$25,000 or any part thereof, \$1 per thousand for all additional amounts. Should any member desire to make any change in his insurance or to purchase new insurance through this association or its duly authorized representative, the above fee will be waived on all insurance so exchanged or purchased.

"THE TAXATION OF LIFE INSURANCE POLICY-HOLDERS."

A Booklet of Twenty-four Pages Dealing with America's Great Burden on Thrift and Providence.

By EDWARD A. WOODS,

Vice-President The National Association of Life Underwriters.

1 to 500 copies..... 3 cents the copy
(More than 500 copies but less than 5,000 at the rate of 3 cents the copy, with a discount of 10 per cent.)

5,000 copies..... \$100

10,000 copies..... 150

Address orders to EVERETT M. ENSIGN,
Corresponding Secretary,
56 Pine Street - - - New York City

INSURANCE CONGRESS OF SOUTHERN CALIFORNIA.

Meeting Held in Los Angeles, and Four Hundred Insurance Men Take Action on Publicity, Legislation and Other Important Matters.

Four hundred insurance men, pledged to co-operate to advance the vital interests of their business, organized the Insurance Congress of Southern California on June 25 at the Hotel Alexandria in Los Angeles. While a permanent organization was not effected, Arthur P. Chipron, president of the Los Angeles association, stated at the close of the banquet that similar meetings would be held when occasion arose upon call of the various organizations.

Resolutions reported by a committee composed of Bertram P. Rouse, chairman; I. O. Levy and D. W. Pierce, and unanimously adopted, declared the need in California of corrective legislation to safeguard the public and the interests of the public; pledged support to the World's Insurance Congress; appealed to Governor Johnson to name as Commissioner of Insurance a man thoroughly familiar with insurance, and thanked the press for its co-operation.

Plans for a campaign of publicity were featured at the afternoon session, while the speeches at the banquet were principally on the subject of adequate regulation for the business. At the close of the afternoon session of the congress Frank E. McMullen, former president of the National Association, took up the proposed publicity campaign and under his direction subscription blanks were distributed and a large number of pledges to the advertising fund were made.

"You people stand for the biggest thing in the world," said Mr. McMullen. "Nothing else approaches it in beneficence. The spirit of co-operation is strong here; we shall want to act together to get a little legislation, not much, but a little. We want to make it certain that every man and every woman will get a dollar's worth for every dollar of insurance premium, we want to get rid of the parasite, we want the business to be represented by clean men. We want no legislation that is not in the interests of the people of California, and it is up to us to let the people know what we want and why, and to do that we must educate them through the press."

W. L. Hathaway, commissioner of the World's Insurance Congress of the Panama-Pacific Exposition, was received with much enthusiasm. He said he had been working for co-operation among all lines of insurance for three and a half years, and he urged that a Southern California permanent organization be perfected.

Short talks were also delivered by J. E. Phelps, secretary of the Fire Board; President Cole, of the Chamber of Commerce; Vice-President Baker, of the Pacific Mutual; J. C. Piver, publisher of the Underwriters' Report, and E. R. Misener, of the Occidental Life.

At the banquet George A. Rathbun, former president of the Los Angeles association and member of the executive committee of the National Association, was toastmaster. Among the other speakers were Mr. Hathaway, Julian Son-tag, vice-president of the West Coast Life; Seward A. Simmons, Willis H. Booth and J. L. Van Norman, who read an address written by Willard Done, formerly Insurance Commissioner of Utah.

Acknowledgements.

Sixth annual report of the Insurance Commissioner of the State of Oregon for the year ending December 31, 1913. J. W. Ferguson, Insurance Commissioner.

Preliminary report of the Insurance Commissioner of the State of Oklahoma for the year ending December 31, 1913. A. L. Welch, Insurance Commissioner.

Advance sheets of the annual report of the Insurance Commissioner of the State of North Carolina for the year ending April 1, 1914. James R. Young, Insurance Commissioner.

Forty-third annual report of the Insurance Commissioner of the State of Maryland to his Excellency Phillips L. Goldsboro, Governor. W. Mason Sheehan, State Insurance Commissioner.

GRATIFYING PROGRESS BEING MADE IN RAISING FUNDS FOR THE INSTITUTIONAL ADVERTISING CAMPAIGN.

Many Local Associations Devoted June Meetings to Discussion of Subject and Securing Pledges of Contributions—Chairman Warren M. Horner Issues Circular Letter Calling Attention to Important Details.

Following the announcement in the May number of this journal, in which National President Clark and Warren M. Horner, Chairman of the Committee on Education and Conservation, requested that the June meetings of local associations be devoted to the discussion of and the raising of funds for the Education and Conservation movement, many of the local bodies set aside their June meetings for this special purpose. Actual and tangible results were secured in all sections of the country, some associations even agreeing to raise a larger fund than would necessarily accrue under the basis of contributions as outlined by the National Committee. A notable instance was the St. Louis association, which not only agreed to the proposition of the National Committee, but decided to raise this fund to one based on 25 cents per \$1,000 of paid-for business.

Naturally, life underwriters throughout the country, as well as home office officials, are beginning to realize that the Institutional Advertising Campaign is now taking definite form. Results are being tabulated and a full report will be made at the Cincinnati Convention. In the meantime, however, Mr. Horner, with the approval of National President Clark, has issued the following bulletin:

"It is very gratifying to the committee that the majority of local associations have voted to adopt the present plan of the Education and Conservation movement, and most of the remainder have signified their intention of following the same course at an early date.

Actual Contributions.

"The committee is very anxious, however, that the action of all associations be reduced to a final basis of contributions actually signed, sealed and delivered, so that such a report can be made to the Cincinnati Convention as will make the work at Cincinnati wholly constructive and along lines of perfecting ways and means for a better carrying out of plans already well under way.

"It will be necessary for each association to appoint a large committee to solicit contributions among the members of the association and those other accredited representatives of Legal Reserve companies who are not members of any local associations.

"A great many association members do not seem to understand that where a general agent gives upon the basis of the entire production his special agents are expected to contribute where they feel willing so to do. This duplication is advisable that the fund may be large enough for each local association, and the grand total for the national body sufficient to carry out the course of educational work and the writing of copy for local and national use. Everyone engaged permanently in the life insurance business can well afford to give upon the basis of his production as outlined.

"A number of associations are already crying for copy, and while the committee has thirty short advertisements written for publication by local associations in their daily papers and such mediums as they see fit, we cannot give out this copy to a few associations until a complete report is received from at least a majority of the total membership of the national body. It is absolutely necessary that the officers of local associations take such action as will permit a complete report to be in the hands of the committee by the end of July.

"It is only right that the statement should be made now that we are no longer working in the dark, but toward a definite goal, and most assuredly everyone should bend his shoulder to the wheel in assisting the committee to arrive at a reasonably intelligent understanding of just what each association is going to do."

GETTING THE BEST OF THE BLUES.

Although Character of Solicitor's Work Is Conducive to Periods of Depression, It Affords Many Opportunities for a Sanguine Outlook.

By Forbes Lindsay, Associate Manager of the Home Office Agency, Pacific Mutual Life Insurance Company, Los Angeles, Cal.

This morning I am going to talk to you about devils—the violent sort that took possession of the Gaderene swine and hustled them into the sea—but the bacterial kind, the little insidious germs that get into our system unawares, sapping our will, our nerves and our energy and setting up the condition which we call "the blues."

The progress of normal health is not over a horizontal plane, but along a success of undulations. We are seldom at par, but generally either above or below it. If we might have an instrument like the steam gauge to register the physical and mental fluctuations of a day, we should find the indicator constantly moving up and down. In varying degrees we are all subject to these fluctuations, although we may be conscious only of the occasional tidal waves of periods of excessive ebb.

In the very nature of things the mental life of a salesman is marked by pronounced curves. His is almost invariably of the mercurial temperament, readily elated or cast down. If a phlegmatic man succeeds in our business, it is by dint of hard work and dogged persistence, overcoming inadaptability.

The salesman is called upon for the exercise of a great amount of nervous energy. Most of the time he is on high tension and, like a steel spring on a strain, must experience a corresponding relaxation. He can never enjoy the equanimity of a salaried employe, any more than a salaried employe can experience the pleasures and triumphs of the salesman. The work of the latter is irregular and punctuated by deep disappointments, as well as sudden successes. Like that of the elevator boy, it is a life of ups and downs.

The Threshold of Depression.

Anxiety keeps the life insurance agent ever on the threshold of depression. If an unusually long interval occurs between applications, anxiety develops into worry, and this in turn grows into despondency.

Beginners in the business, lacking the fortitude derived from tested ability and recollection of past successes, are particularly prone to depression. Their minds are centered upon securing applications to the exclusion of all other considerations. They do not appreciate the value of work which is not immediately productive and have no conception of the benefit of adverse experience. They gauge their progress and accomplishment by their cash account. On the other hand, if the beginner, by good fortune closes a large case, he becomes over-sanguine, thereby sowing the seeds of disappointment.

The experienced agent, too, is apt to suffer a reaction of energy when an unusually long time elapses without a sale. Therefore, it is a good plan for the man who specializes in big business to fill in with small cases, and so maintain the satisfaction of constant achievement.

Now I am not going to advise you never to get "blue." The see-saw nature of your business makes it inevitable that you should do so at times. I will urge upon you, however, not to allow an attack of depression to develop, and above all, never to nurse it. I will suggest a few methods of warding off this condition and dispelling it.

Don't be anxious about your business. Take success for granted, and, like Sempronius, deserve it. If a disappointment befalls, put it behind you at once. Bury your failure as the doctors do. Never take the count. After a knock down get on your feet instantly and go at it again, before the blue devil germ can find lodgment in your system. Four or five hours of straight canvassing with fierce energy will

take the sting out of the worst defeat and perhaps yield compensation for it.

Don't worry. It is the most harmful and the most useless of all emotions. Yesterday is a closed book. To-morrow may never be. Live in To-day and make the most of it. We know from experience that very few of the ills we dread come to pass and those few are seldom as bad as we had pictured them.

Don't brood or recite the tale of your woes. The fact that you are infected by the blue bug is not justification for exposing your associates.

Above all, never sink to that lowest stage of degradation—self-pity. The man who gets into that mental morass is lost. At the first approach of such a feeling go out and hire a strong man to kick you.

We must all expect to experience depression on occasions. We cannot avoid the attacks, but we may reduce their effects to a minimum, and the best way of doing this is to nip them in the bud.

Seek the Cause.

At the first sign of depression seek the cause and apply a sensible remedy. Maybe you have had a rejection. What of it? It is only part of the average which you must expect and the best remedy is to put in another application. You have not written a case in a fortnight. That fact increases the probability of your landing one to-day and, in any case, you will not improve the prospect by moping.

Perhaps you are stale as a consequence of overwork. In that case a brief rest is indicated. Make it a complete one. Close your desk and go off to the seashore or spend the day hill-climbing. Go away from the office and forget your work.

Although the character of a life insurance salesman's work is exceptionally conducive to periods of depression, it affords unusual ground for a sanguine outlook. The field man, like the actuary, may be sure of his averages. After his first six months a salesman can depend upon a certain aggregate production in the year as a result of a certain number of hours' labor. He has the assurance that an additional investment of time will yield proportional profits. Then again, he has the stimulating knowledge that while he is on the street and under the tree, so to speak, a plum may drop at his feet any moment.

Something to Ponder Over.

Did you ever notice people rushing about a railway station? Did it ever occur to you why they rush? These people are in no particular hurry, but promptly, at a certain time, the train will leave, and if they are not on board they will get left.

A lesson can be drawn from this that will apply in business. The prompt man is the best American business man. If he is prompt at his occupation he will be in funds. His bills will be paid promptly. He can always get credit. He has an abundance of self-confidence. He is a good man, a good buyer, a good payer. It is a pleasure to do business with him. He is always on time, and never disappoints.

That man is an ideal life insurance solicitor. He gets out of bed in the morning and is on his job on time just as regularly as though he were to take a train at that hour. He allows his determination to dictate his action. He is careful to put in a good day every day, and when he needs a rest, he takes it, but never mixes his work with his rest, for they mix only to a great disadvantage. Promptness is his keynote. It's the quarter-hours that make your day valuable. It has been said: "You can never find time for anything; if you want time, you must make it." *Time accepts no sacrifice, it admits of neither redemption nor atonement. It is a true avenger.*

Your competitor may divide the business with you, or your company may reconsider a rejected applicant. You may even write an application on a man who told you he positively would not buy a policy. But time that is lost is gone forever. **TIME IS INEXORABLE AND HAS NO MERCY.—Barrett & Snow's Marksman.**

What the Local Associations Are Doing

Life Association News has no paid correspondents. We depend entirely upon the secretaries of local associations to send us stories of all meetings of their respective associations. If an account of the last meeting of *your* association does not appear in this department, ask the secretary of your organization why he did not send us the particulars.

Immediately after each meeting, on the same day if possible, secretaries of local bodies should send us a full account of the business transacted, including copies of all speeches, or extracts from the most important of them.

Akron.

The Akron association held its regular June meeting at the Hotel Portage. Chas. W. Scovel of Pittsburgh, former president of the National Association, was the speaker.

Mr. Scovel told of the benefit the association had been to the life insurance business in 1905, at the time of the Armstrong investigation. The National Executive Committee was frequently in consultation with the Armstrong committee, in reference to some of the radical changes which it was proposed to bring about by enactment of laws in the New York Legislature. Several conferences were held during the year, and it was very largely due to the efforts of Mr. Scovel and his associates that drastic and impracticable laws were not put upon the statute books. It might have been a very serious handicap for the life insurance business in general, had the Armstrong committee proceeded to recommend for passage certain bills without first consulting those who had the best interests of life insurance at heart.

Mr. Scovel devoted the latter part of his talk to the benefits of the monthly income policy.

Baltimore.

As guests of the Maryland Naval Militia on board the United States steamship *Montgomery*, the Baltimore association made an excursion down the bay June 11. Frederick A. Savage is president of the underwriters and executive officer of the naval militia.

After a run of a couple of hours, the *Montgomery* was brought to anchor and dinner was served. Target practice was then indulged in by the militiamen. On the way back to Baltimore a meeting of the association was held. A committee was appointed to frame a resolution of esteem and sympathy to be sent to the family of the late Colonel Markoe, and the following was presented and unanimously adopted:

Whereas, Our friend and fellow member, Col. Frank Markoe, has by the loving voice of his Heavenly Father been called from us; and

Whereas, Our deceased friend had been one of the organizers and the first president of a life underwriters' association in Baltimore, and a loyal and faithful member of this association; be it

RESOLVED, By the Baltimore Life Underwriters' Association in meeting assembled, that in the death of Col. Frank Markoe we lose one of our oldest and most faithful members and a valued and faithful friend; be it further

RESOLVED, That we do here record our high appreciation of the sterling character and worth of our deceased friend, and the high esteem and affection in which he was held by us and by all who knew him, and that the sympathy of the members of this association be extended to the members of the bereaved family who have suffered the loss of a kind and indulgent father; be it further

RESOLVED, That these resolutions be spread upon the minutes of this association, and a copy sent to the family.

(Signed)

MARCELLUS H. GOODRICH,

E. W. HEISSE, Committee.

Battle Creek.

At a noon-day meeting of the Battle Creek Life Underwriters' Association held at the Chamber of Commerce, representative life insurance men sat down to luncheon, which was followed by short speeches by nearly all present. Prominent among the speakers were Drs. Shipp and Gorsline, L. A. Dudley, N. E. Retallick, Guy A. Ramsdel, all setting forth the value of organization as a means of raising the plane of the business and educating the public to the value of providing for the future welfare of dependent wives and children.

An important point brought out by Mr. Dudley in the course of his remarks was that while the cost of living in general has materially advanced in the last ten years, the cost of all old line insurance has decreased, and that it would still further decrease when the public is awakened to the fact that taxation on premiums added 2 per cent. to the cost. This, reduced to dollars, means that the \$13,000,000 of taxes would furnish \$1,000 insurance to 550,000 more persons.

The matter of delegates to the national convention at Cincinnati, Sept. 15, was deferred until the regular meeting after the summer recess.

Five new members were admitted as follows: F. E. Shaw, Samuel Taub, Floyd E. Jones, Charles E. Rickabaugh and N. E. Retallick. The young association is assured of a solid foundation, and the value to the public welfare will soon become apparent.

Buffalo.

Eleven new members were admitted to the Buffalo association at its June meeting. There was discussion of the institutional advertising campaign as recommended by the National Association, and this matter will be taken up vigorously with the resumption of regular meetings in the fall.

Cleveland.

Members of the Cleveland association have chosen A. D. Hatfield, of Hatfield, Murry & Walker, president of the association for the ensuing year. They have elected the following other officers:

E. B. Hamlin, of George H. Olmstead & Co., first vice-president; W. H. Whitney, of the Phoenix Life, second vice-president; O. M. Olmstead, of George H. Olmstead & Co., re-elected treasurer; S. R. Johnson, of the Pacific Mutual Life, secretary.

At the recent annual meeting in Hotel Statler on the evening of June 26, Herman Fellingner, of the Pacific Mutual Life, long active in the affairs of the association, finished his term as president and declined re-election. Mr. Hatfield moved up from the first vice-presidency, but Hoyt W. Gale, of the Home Life, and second vice-president, also insisted that some other member take the honor of the office. T. M. Norris, with the Union Central Life, declined re-election as secretary.

Mr. Norris has been a member of the organization for fifteen of the twenty years of its existence, and has served nine consecutive years as secretary.

All of the retiring officers will continue their active interest in the association's affairs. The organization recently took in a host of new members and plans for a busy fall and winter are being made.

After the business meeting Governor James M. Cox was introduced by Mr. Fellingner.

In his address the Governor spoke of the work being accomplished by life insurance companies through their agents reverting to the compulsory workmen's compensation bill passed a year ago last winter.

"So far as I am personally concerned, I haven't the least disposition to place the Commonwealth in competition either with life or fire insurance business," the Governor said.

"In my opinion no government, municipal, State or national, should engage in any utility business unless it is definitely proved that private control and management is a complete failure or grossly unfair to the public.

"You will admit," continued the Governor, "there has been nothing alike in the conduct of the liability insurance business as compared with the conduct of the life and fire insurance business.

"Prompt settlements are alike the pride and aim of life insurance and fire insurance agents. I need not remind you that prompt settlement has not been the policy of liability insurance companies in past years."

Chicago.

Nearly 200 members were present at the last meeting of the season of the Chicago association, which was held on the evening of June 30 at the Auditorium Hotel. The two important matters which were discussed and upon which action was taken were plans to eliminate the rebate evil and the approval of the institutional advertising campaign as recommended by the National Association. Chairman George M. Herrick, of the special committee of fifteen, appointed some time ago to consider various phases of field ethics, delivered his report, which was in three parts, one in relation to rebating, another had to do with membership and the third took up the question of publicity.

As to rebating, the report of the committee was as follows:

"First, that a committee on rules, consisting of seven members, be appointed by the chair to determine whether or not evidence of rebating, in any given case, be sufficient to warrant prosecution by law or expulsion from the association.

"Second, that the affirmative votes of at least four members of this committee shall be required in any given case.

"Third, that this committee is instructed to raise, by subscription from the members, a fund of at least \$1,000 to be used in suppressing rebating.

"Fourth, that this committee is further empowered to select a successful firm of lawyers and also the services of a reliable detective agency for the securing of evidence.

"Fifth, that no one be prosecuted under this resolution for any case of rebating prior to June 30, 1914.

"Sixth, that the Legislative Committee of this association be hereby instructed to make efforts to secure such change in the present rebate law of this State that both the recipient of the case and the rebator be found guilty, and that the one who furnishes evidence of such rebating be given immunity.

"Seventh, the committee further announces that arrangements have been made with the State's attorney to prosecute any cases of rebating in which the evidence is furnished for him by the association and provided the informer's fee is waived."

Although there was some objection to the immunity clause, the entire series of recommendations was unanimously adopted.

With regard to increasing the membership of the association, it was decided to choose two teams of ten members each and begin a sixty-day campaign; each active member secured to count two points, and each associate member one point, to the team securing him. The losing team will give a dinner to the winning team.

Jules Girardin, member of the National Committee on Education and Conservation, elucidated the plan of that committee and introduced John H. Mitchell, of the Mitchell Advertising Agency of Minneapolis, who further explained the propaganda, dwelling largely upon the benefits which would accrue to the agents throughout the country. John R. McFee, of the Massachusetts Mutual, objected to the copy

which had been prepared by the Mitchell agency, and seemed to be of the opinion that not enough funds would be raised to carry out the intended campaign. The committee of fifteen recommended the approval of the National Committee's plan, and when the matter was put to a vote, the committee's recommendations were carried, practically unanimously.

Several new members were admitted, and it was resolved that Byron C. Howes, manager of the Union Mutual of Chicago, who has acted as treasurer since the death of Hervey S. Dale, be continued in that capacity until the next annual meeting of the association.

The committee appointed by President Ferguson to raise funds for education and conservation follows: J. D. Janney, E. E. Jones, J. H. Stevens, F. Wymán, H. C. Hintzpeter, H. C. Caster, D. G. Drake, B. J. Sinai, H. D. Wright, Max Lindauer, E. H. Carmack, C. F. Axelmann, C. B. Stumer, C. F. Bullen, J. B. Thorsen, W. E. Nichols, M. Ullman, H. Kremer, J. R. Norris and L. H. Whiting.

Colorado.

The regular monthly meeting of the Colorado association was held on the 1st inst. at the Hotel Albany in Denver. The principal speaker was Wendell Stephens, assistant attorney-general, his subject being, "The Law and Its Relation to Life Insurance." Mr. Stephens advocated the abolishment of the 2 per cent. tax on premiums and made several suggestions for improvements in Colorado's insurance laws. Other speakers were Superintendent of Agencies Johnson, of the Prudential at San Francisco, and President J. C. Burger, of the German-American Life of Denver.

There was a discussion of the institutional advertising campaign of the National Association, and the matter was referred to the Executive Committee for action. It was also decided that a life insurance congress should be held at Denver some time in the fall. Edward A. Woods, vice-president of the National Association, will be the principal speaker. The matter is the hands of Secretary C. M. Reich.

Columbus.

Members of the Columbus association, on June 20, were entertained by J. C. Campbell, manager of the Ohio and West Virginia agency of the John Hancock Mutual, at his country home, "Bryn Mawr." The inevitable baseball game was played and, although it has been difficult to decide the score, still, according to the latest report, it stood 36 to 19 at the end of the fifth inning, the winning team being captained by C. K. Siebert, while E. B. Gerlach headed the losing aggregation.

Detroit.

Following the recent example of Winslow Russell, superintendent of agencies of the Phoenix Mutual, President M. H. Zacharias, of the Detroit association, recently sent out a circular letter to the leading business and professional men in Michigan asking for replies to certain questions in relation to the field ethics of life insurance. A copy of the letter follows:

"The Detroit Life Underwriters' Association is making a strenuous effort to improve conditions in life insurance salesmanship.

"I am enclosing you herewith a list of questions, together with a self-addressed stamped envelope, for its return. May I ask your consideration to the questions asked so that we may intelligently arrive at the viewpoint of the average business man on this very important subject?

"I think I am safe in saying that life insurance has returned a greater percentage, compared with the amount of money invested in it, than any other fiducial institution in the history of the world. In spite of this fact the average business man is not easily approached on the subject. If we as salesmen are at fault, we want to know it, and ask your co-operation to this end.

"You may rest assured that your reply will be treated strictly confidential. Your name will not be given out in connection with your answers either before the association or otherwise.

"Thanking you in advance for your prompt reply, I remain,

"Very truly yours,

"M. H. ZACHARIAS, President."

The questions to which replies were asked were as follows:

1. Do you carry life insurance? (We will be glad to have you state amount if you desire.)
2. Have you found your policies to be exactly as represented by the agent?
3. Does the average agent undertake to analyze your case and try to sell you the kind of policy you should buy?
4. Is the average life insurance man who calls on you a competent salesman in his line?
5. Is the average life insurance agent as welcome to your office as is the average salesman in any other line in which you are interested?
6. If not, why?
7. What percentage of the agents who call on you adversely criticize the insurance that you already have in other companies?
8. What percentage of the agents who call on you openly attack other companies?
9. Do you understand that all old line life insurance policies, outside of term policies, have a value to the insured as well as to his estate?
10. What suggestions can you make toward the improvement of conditions in life insurance salesmanship?

According to the *Indicator* "there were 47 replies received, or about 20 per cent. Of these it appears that 35 carry life insurance, five do not, and from nine no reply was made to this question. The second question was answered in the affirmative by 34, in the negative by four, and nine made no answer. In regard to the third question 22 replied yes, 12 no, while 12 did not answer the question. Twenty-nine were of the opinion that the average life insurance man is a competent salesman, while eight thought differently, and 10 made no reply to the question. There were 23 who said that the average agent is as welcome at their offices as is the average salesman in any other line of business, 14 replied that he was not. Those who said that they were not gave the following reasons: 'Bores,' 'too tenacious,' 'too busy,' 'loaded.' In reply to the question what percentage of the agents adversely criticize the insurance already carried in other companies, 17 replied none, 11 'a small percentage,' five 'all,' and 14 did not reply. In reply to question 8, 22 said that none openly attack other companies, 11 said that a small percentage do, 16 making no reply. As to question 9, 34 replied in the affirmative, two in the negative, and 11 made no answer. In response to the last question there were a number of suggestions made as to things which might be done to improve conditions in life insurance salesmanship. Among these were 'intelligent agents,' 'married agents,' 'agents in middle life,' 'an efficiency standard,' 'criticism of past, not present,' 'make it a matter of business, not friendship,' 'a definite knowledge of the prospect,' 'talking to men when they are not busy,' 'more experienced agents,' 'definite appointments,' 'a mail order campaign.' One man made these suggestions: 'That after the agent has received an answer he should accept it and not make a nuisance of himself; that he should regard a busy man's time as valuable and give him a little credit for knowing what he wants; and that he does not try to force a person to take a much larger policy than he has ordered.' Banking Commissioner E. H. Doyle said: 'I think it is mighty well looked after, and the young man who takes out assessment insurance as against old line fools no one but himself and ought to have a guardian.'

The annual meeting of the association was held at Bois Blanc Park on the 16th of last month—the trip being made by steamer. During the business session held on the boat, George L. Bahl, general agent of the Penn Mutual, was elected a member of the National Executive Committee. Delegates were also elected to the Cincinnati convention.

There was the usual ball game, and W. D. Clizbe and Col. Will Waite had been appointed captains of the two teams.

AN ACCIDENT OR ILLNESS

is unfortunately apt, sooner or later, to overtake any man. Prudent men insure against this contingency, so as to be indemnified for income lost or earning power affected while they are disabled, and for the unusual expenses attendant upon illness or accident for medical expense, hospital charges, nurses, medicine, etc.

No Disability Policy has ever before been issued which so thoroughly protects the policyholder as our new Guaranteed Addition Policy, under which the amount of the weekly indemnity for disability by accident is automatically *doubled* on payment of the second premium.

For particulars address

The Columbian National Life Insurance Company BOSTON, MASSACHUSETTS.

Arthur E. Childs,
President.

William C. Johnson,
Vice-President and General Manager.

but in the absence of the latter J. A. Bucknell took his place. Mr. Bucknell's team won by a score of 11 to 7. In the afternoon there was another game, the contestants being the teams of the Sun Life and Mutual Life. It was won by the Mutual by a score of 9 to 1.

District of Columbia.

The regular monthly meeting of the District of Columbia association was held on June 18. The principal feature of the meeting was the discussion of the Educational and Conservation Advertising Campaign and the advisability of employing a publicity agent rather than taking a definite space in some newspaper. There was also a discussion as to whether or not the expense of such campaign should be defrayed on the basis of business written for the preceding year or the cost shared equally by each active member of the association. The entire matter was referred back to the Committee on Education for a report at the next meeting.

Everett, Washington.

A new association has been organized at Everett, Wash., and will be known as the Life Underwriters' Association of Snohomish County. The association has eighteen charter members and the officers are as follows: President, H. A. Sharpe, Penn Mutual Life; vice-president, J. B. Scanlon; secretary, O. C. Freese, Pacific Mutual Life, and treasurer, Jos. P. Torrey, Travelers.

Indiana.

At the June meeting of the Indiana association, Dr. Felix G. Cross, president of the Columbia Life, delivered a twenty-minute address on "The Company of To-day." Vice-president Flickinger officiated in the absence of President Wilson. The following new members were added to the roll; Charles F. Coffin, vice-president, State Life of Indiana; Lynn B. Whitaker, Massachusetts Mutual; Wilmer Christian, the Equitable, Iowa; and Arthur C. Wells, Travelers.

Dr. Cross said in part, as follows:

"The company of to-day is judged by the character of its executive officers and its representatives in the field. The executive officers must not be unmindful of the fact that there are many agents on the firing line who are eminently qualified to become their successors in office and that they are few executive officers who could successfully fill the places of the agent and perform the duties of the agent if they were required to exchange positions.

"The field force must always have the sympathy and cordial support of the management, and the executive officer who would not be willing to walk five miles to assist a faithful and efficient agent should be impeached or court-martialed on the charge of incompetency and mustered out of service.

"The company of to-day requires executive officers and agents of lofty ideals and they should join forces to safeguard every interest of the policyholders. The agent should be prepared to safeguard the interests of the company at the risk of losing his commissions. Such men become potent factors and as they grow old and gray in the service they should be installed as members of the 'old guard' and should be protected through their renewal commissions, and if qualified, many of them will receive remunerative positions in the offices of their respective companies when they are required to retire from the firing line.

Jacksonville.

George E. Shepherd, general agent of the Home Life of New York at Jacksonville, Florida, is interested in organizing a local association at this point and at a recent meeting of the Jacksonville association plans were discussed with that object in view. Frank P. Dearing, Tracy L. Acosta and George E. Shepherd were appointed as a committee on arrangements, while Walter P. Corbett, M. D. Johnson, W. T. Lusk and R. J. Jones were appointed a committee on constitution and by-laws. O. M. Wellslager was nominated chairman and W. T. Lusk, secretary.

HOTEL GIBSON

CINCINNATI'S

Safest—Largest—Best Hotel

BUILT IN 1913-1914

500 Rooms

500 Baths

Representing an Investment of Over Two Million Dollars

"The last word in Hotel Service"

HEADQUARTERS

National Association of Life Underwriters' Convention, 1914

Kalamazoo.

"Over-taxation of life insurance companies is a tax on thrift," declared Hon. John T. Winship, Commissioner of Insurance for Michigan, in an address before the joint meeting of the Kalamazoo and Battle Creek associations, held at Gull Lake June 22.

The taxation of insurance companies having originally been intended to defray the cost of their supervision by the States, Mr. Winship pointed out that the amount now collected in a State like Michigan, for instance, exceeds the sums necessary to maintain the Department by several hundred thousands of dollars. He declared that citizens should be aroused to the fact that those who were providing for their families by life insurance were paying money in taxes for the benefit of those who were not so provident.

Mr. Winship made the principal address at this joint meeting, which was planned as a picnic and which, it is expected, will become an annual event participated in by the insurance men of Kalamazoo and Battle Creek. His remarks were commented on by National Treasurer H. Wibirt Spence, of Detroit, Mich., who is manager for the Mutual Life Insurance Company of New York, who said that if reforms advocated by Mr. Winship were to be brought about, the work must not be left to a few, but the life insurance men present must themselves take part in the campaign of education now being waged. He urged the local men to attend the convention of the National Association of Underwriters, to be held in Cincinnati next September.

Mr. Winship and Mr. Spence, who were largely instrumental in the organization of the local association in Battle Creek and Kalamazoo, were both elected to honorary membership in the two societies.

Kansas City.

A special committee on Conservation, Education and Publicity was appointed by the Kansas City association on Dec. 21, 1912. It consisted of W. B. Henderson, D. M. Skinner, L.

A. Ellis and C. L. Barbee. At the June meeting of the association this committee presented its report and after a discussion it was decided to lay the report on the table. The report embraced the following recommendations; that the plans of the National Committee on Education and Conservation be adopted, with the exception that agents should not be required to pay any assessment and that all voluntary contributions to the fund should be sent to the National Committee.

There was a considerable difference of opinion in the latter recommendation, several of the members advancing the idea that the general agents should be in a position to get some direct benefit from the advertising done. Ira B. Mapes, representing the Phoenix Mutual, and a former president of the local association, was elected a member of the National Executive Committee, to succeed C. C. Courtney. Delegates and alternates to the Cincinnati convention were elected.

Knoxville.

The question of perfecting a State organization of life underwriters was one of the features of the monthly meeting of the Knoxville association at a luncheon held on June 27 in the Board of Commerce rooms. It was addressed by C. C. Dabney, of Nashville; Gen. James A. Fowler, O. P. Sterling and Dr. C. P. McNabb.

Mr. Dabney reviewed the local work of life underwriters, stating that the first company was organized in 1835. He told how it had become an important factor in business. He urged the organization of underwriters for the education of the people along insurance lines. He pointed out how other bodies and professions had accomplished much by such an effort, and said this tended to build up the business of parties insured.

Mr. Dabney said he believed that should State organization be effected like the bar and medical association that life insurance and the conservation of mankind would be taught in the public schools. He asserted that it is not a question of the number of policies one can write, but the kind of risk and the aid one gives those who carry the policies.

Dr. C. P. McNabb spoke from the standpoint of a medical examiner and the relation of the examiner and the underwriter.

Gen. James A. Fowler stated that insurance is not commerce and the courts had so held. He stated that while attorney-general in the anti-trust business he had more letters about the so-called fire insurance trust than anything else, but as it is not commerce he could not bring suit.

O. P. Sterling spoke on "Insurance and Religion." He spoke of the insurance man going into the home and providing for the widow and orphans, which he said is Christian work. While writing policies and issuing checks, he said underwriters should speak to men and women about their soul's salvation.

Lansing.

The Lansing association held its June meeting at Pine Lake, where a luncheon was served at the Nemoka Hotel. Following the business meeting there was an address by Dr. Julius A. Post, who has the reputation of having made more examinations for level premium insurance companies than any physician in central Michigan. It is also reported that Dr. Post has never made an examination for an assessment or fraternal company or association.

Los Angeles.

There is a movement on foot by the legislative committee of the Los Angeles association to interview Governor Johnson to ascertain his attitude toward certain legislation desired by life insurance men. It has been decided to introduce in the next Legislature a bill against rebating. Such a measure was passed by the last Legislature, but was never signed by the Governor.

Louisville.

The June meeting of the Louisville association was held at the Patterson Hotel, the principal features of the meeting being the appointment of delegates and alternates to the Cincinnati convention and action on the education and conservation propaganda. A resolution was adopted approving

of the plan as recommended by the National Committee on Education and Conservation. The following agencies sign pledges: George D. McDonald, Phoenix Mutual; W. V. Dennis & Co., Mutual Benefit; W. B. Pace & Son, Manhattan; W. H. Harrison, Fidelity Mutual; Finley-Gunther Co., Phoenix Mutual; Henry J. Powell, Equitable; Housseau & Hubbard, Union Central; Burbank & Burbank, Aetna; J. E. Williams, Mutual Life of New York, and A. L. Noe, State Mutual.

The following committee has been appointed for the purpose of securing pledges from agencies which have not as yet agreed to contribute to the fund: Henry J. Powell, of the Equitable; H. D. Rodman, of the Northwestern Mutual; George L. McDonald, of the Phoenix Mutual, and W. V. Harrison, of the Fidelity Mutual.

Lynchburg.

At the June meeting of the Lynchburg association it was decided to raise \$150 for advertising purposes, as outlined by the National Committee on Education and Conservation. A standing card will be published in a Lynchburg paper containing the roster of agents who are members of the association. Should the annual cost of advertising exceed the amount derived from the assessments, the members pledge themselves to make up the difference.

Minneapolis.

The following resolution was adopted at a meeting of the Minneapolis association, held on June 27: "That we endorse the advertising proposition made by the Education and Conservation Committee of the National Association, and that a committee of five be appointed by the president, two of whom are to be general agents and three special agents, to complete plans for putting same in force in Minneapolis and the territory contributory thereto and to put same into effect." A report of the committee is to be made at the next regular meeting of the association in September. The following new members were admitted: Moritz Mechelsen, special agent, Manhattan Life, and M. A. Compton, special agent, German Life.

WHAT OF THE FUTURE?

Every line of business is seeking higher standards.

**THERE IS NO PROFESSION
SUPERIOR TO OURS
IF!**

We do our full share to keep the highest standards.

There are brokerage and part-time contracts plus inefficiency in field

work which, unless corrected, will set back any

**CAMPAIGN OF EDUCATION
AND CONSERVATION
for a long period.**

There are legitimate part-time men.

There is legitimate brokerage business.

Every insurance man who reads this copy knows the type that we are eliminating.

**Phoenix Mutual Life Insurance Company
OF HARTFORD, CONN.**

JOHN M. HOLCOMBE, President

Mississippi.

Officers for the ensuing year were elected by the Mississippi association at a recent meeting. The new officers are as follows:

President, A. C. Crowder, who succeeds E. L. Ragland; vice-president, I. E. Gunter, who succeeds A. C. Crowder in that position; secretary, Warren Pullen, who succeeds his father, W. H. Pullen, Sr.

The meeting was attended by a number of out-of-town insurance men, and a great deal of interest was manifested in the discussions of subjects that came up for consideration.

It is the intention of the officers to make the next twelve months the most successful period in the history of the association, if possible. Already plans to this end are being formulated. The association meets in Jackson once a month, and is rapidly increasing in membership.

Nebraska.

The principal subject of discussion at the June meeting of the Nebraska association was "Conserving Old Business." W. G. Preston, of the Bankers' Reserve Life, was the principal speaker. He explained that his company approved the plan of preserving reticence to policyholders concerning the thirty days' grace clause, in order to insure more prompt payment of premiums. While acknowledging there were good arguments against this plan, it was defended on the ground that thirty days' grace is a courtesy and not a privilege to be abused. It was the consensus of opinion that when policyholders fail to meet their premium payments, the best plan was to advise them that as a matter of courtesy and fair dealing they would be taken care of for a period of thirty days.

New Jersey.

Officers of the Prudential were the hosts of the New Jersey association at a meeting held on June 15 in the Prudential as-

sembly rooms at its home office building. President Theodore F. Keer officiated and there were about fifty members present, including agents from Newark, Paterson, Passaic, Orange, Harrison, Elizabeth and other neighboring cities. An address of welcome was made by Forrest F. Dryden, president of the Prudential. Mr. Dryden was supported by Secretary Willard I. Hamilton, assistant secretaries Frederick A. C. Baker and George B. Speer, Supervisor Fred W. Tasney and managers of the Atlantic and Pacific divisions of ordinary agencies, Edward S. Andrews and Cyrus H. Lang. Among the subjects discussed were the necessity of life insurance education and insurance on the monthly income plan.

Mr. Dryden emphasized the necessity of honest methods in competition, while Secretary Hamilton, in a few brief remarks, told how life insurance was only in its infancy.

John C. Eisele, representing the Equitable, dwelt upon the monthly income policy. J. Scott Anderson, representing the Union Central of Cincinnati, expressed the appreciation of the association for the Prudential's hospitality.

Supervisor Fred W. Tansey made a plea for an increase in membership.

New York.

A cool ride down the bay, a delightful country club, tennis, baseball, bowling-on-the-green for the sedate ones, fizzes on the piazza for the hot ones, and a good dinner for everyone. Such was the announcement of the June Frolic of the New York association, and the gathering passed off with all the scheduled attractions at the Crescent Athletic Club at Bay Ridge, on the afternoon of June 30. There was an alleged game of baseball between a New England Mutual team, captained by General Agent Edward W. Allen, and a team of Provident Life & Trust men under the leadership of General Agent John S. Tunmore. Although no accurate information could be obtained, it was said that the game was in progress for seven innings and the New England Mutual team won

CAN SELL YOU ANNUITIES?

We are the leading specialists in Annuity business.

Special terms for Annuities on impaired lives.

Good contracts for men who can sell our attractive Life, Endowment and Annuity policies.

SUN LIFE ASSURANCE CO. OF CANADA

HEAD OFFICE, MONTREAL.

ROBERTSON MACAULAY, Pres.

T. B. MACAULAY, Man. Dir.

MANAGERS IN UNITED STATES

C. S. V. BRANCH.....Philadelphia, Pa.
HAYES and BROOKS.....Pittsburgh, Pa.
F. C. HOLBECK.....Lansing, Mich.
NEIL D. SILLS.....Richmond, Va.

C. E. KREGLOE.....Baltimore, Md.
ERNEST W. OWEN.....Detroit, Mich.
E. E. WILKINSON.....Port Huron, Mich.

by a score of 7 to 9. This score was naturally vigorously disputed. Following this there was a game between the uniformed teams of the home office of the Equitable and the Mutual Life. Lindeman, pitcher for the Equitable, and Pierce, pitcher for the Mutual, have an enviable reputation in this particular sphere. The Equitable team won by a score of 6 to 2. John S. Tunmore attempted to umpire the game, but relinquished the honor to Edward W. Allen. Numerous decisions of this gentleman were disputed, but in spite of the guying from the bleachers he preserved a calm demeanor. There seemed to be a general impression in some quarters that Mr. Allen's rulings on all classes of balls, except high-balls, were more or less erroneous. One admirer ventured the opinion that if all fouls were chickens, Allen's decision was good enough for him.

Dinner was held in the club dining-room at about 6:45, and R. M. Simons, second vice-president, presided in the absence of President Julian S. Myrick and First Vice-President William H. Ryan. Song sheets were distributed and popular songs were sung, the music being led by the University Glee Club, which club also sang a number of quartets. W. T. Wetmore, of the John Hancock, recited several selections in a manner which smacked of the professional, and Charles F.

Donnelly, of the Massachusetts Mutual, performed a cabaret singing stunt which brought forth much applause. John C. Dempsey, New York's well-known professional baritone, favored the gathering, and was compelled to respond to several encores. James V. Barry, assistant secretary of the Metropolitan, was called upon, and delivered a series of side-splitting jokes.

North Dakota.

Education of the public and a higher standard of field ethics was the message that Warren M. Horner, chairman of the National Education and Conservation Committee, delivered to the members of the North Dakota association on the evening of June 27. J. F. Treat acted as toastmaster in his usual capable and pleasing manner, and there were short talks by William L. Stevens, auditor of the Mutual Life, and by Eugene Fritz, president of the association. The talk of the evening, however, was by Mr. Horner, and it was a stirring and inspiring address relative to the education and conservation movement. The meeting was by far the best that the association has ever held. Officers elected were as follows: Eugene Fretz, Northwest Mutual Life Insurance Co., Grand Forks, president; F. W. Thomas, Phoe-

"What the Equitable Offers"

What the Equitable Offers is the title of a booklet listing in detail the many attractions and advantages of Equitable policy contracts.

While intended for the prospective insurer, it will interest any insurance salesman who is curious to know why Equitable policies sell readily, renew steadfastly and meet every conceivable need of all classes of insurers. A copy will be sent to any address on request.

The Equitable Life Assurance Society

of the United States

165 Broadway, New York

W. A. DAY, President

Satisfied Policyholders

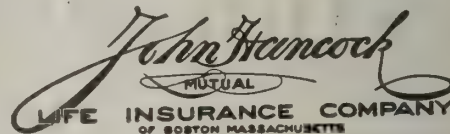
The constant line of applicants
for **ADDITIONAL** insurance in the

JOHN HANCOCK

shows that its members have
GOOD JUDGMENT

TIE UP WITH THE COMPANY MAKING

SATISFIED AGENTS



WILLIAM N. COMPTON

General Agent Metropolitan District

**ST. PAUL BLDG. 220 BROADWAY
NEW YORK, N. Y.**

ix Mutual Life Insurance Co., Fargo, first vice-president; John C. Whitney, Mutual Life Insurance Co., Fargo, second vice-president; A. F. Colwell, Union Central Life Insurance Co., Fargo, secretary; J. Frank Treat, Germania Life Insurance Co., Fargo, treasurer.

Editor Wilde, of the *Fargo Forum*, of North Dakota, was present, and gave a short and appreciative talk on the education and conservation propaganda.

Nashville.

The Nashville association held its annual election of officers last month. H. B. Alexander of the Aetna Life was re-elected president; C. C. Dabney was re-elected vice-president and R. C. Webster of the Prudential Life was elected secretary. Reau E. Folk spoke enthusiastically of the benefits accruing from the National convention and urging all members present to make plans to attend the annual convention, to be held in Cincinnati the coming September.

Central Pennsylvania.

Three new members were admitted to the Central Pennsylvania Association at its June meeting: Stanley R. Still, Jr., George M. Leicey, Walter G. Bahn. Resolutions were passed unanimously endorsing the education and conservation movement, and subscriptions were pledged by every member present on the basis as recommended by the National Committee.

Philadelphia.

The Philadelphia association expects to respond liberally to the call of the National Committee on Conservation and Education, and the publicity committee has recently sent out the following letter:

"After two years of most careful thought and preparation, boiled down—the concrete proposition now is as follows:

"Five cents per thousand on the basis of paid-for business in 1913 is asked of each agent, special agent, manager or general agent. Seventy-five per cent. of the sum contributed is to be retained by the local association for publicity purposes in our own field; twenty-five per cent. to be remitted to the National Association.

"The sum paid to the National Association is not to be considered in any sense a gratuity. The National Committee on Education and Conservation will furnish copy for uniform institutional advertisements and human interest stories, which have been approved by the executive council. This insures the same character of publicity throughout the entire country and as rapidly as the funds warrant it advertisements and stories of a national character will appear in such publications as the *Saturday Evening Post*, etc.

"Every live insurance man selling life insurance in this field who neglects to give his mite is going to be placed in the unfavorable position of obtaining something for nothing.

"By contributing the small sum of 5 cents per thousand on the basis of his paid-for business in 1913, he will get the most he has ever received in his life as a business investment, besides helping the service to be rendered the insuring public and their dependents by this national and local campaign of education and conservation.

"Remember, all that is asked for is 5 cents per thousand on your paid-for business of 1913, and this means that general agents should contribute on the basis of their total production and that salaried managers contribute on the basis of their personal production and in the latter instance we anticipate that every salaried manager will see that each one of his agents under contract will make his contribution.

"The fund thus contributed will be kept separate and distinct from the other funds of the association and from it payments will be made only for the specific purpose of covering the cost of this campaign.

"Other cities throughout the country have already raised sums ranging from \$2,000 to \$12,000. Philadelphia in all the movements for the betterment of life underwriting conditions has always been at the front. We must not now fall behind.

"We hope to get this campaign under way without any loss of time and therefore request your immediate attention and favorable action.

Yours very truly,

F. G. JONES,
E. C. WINBURN,
F. D. BUSER,
Chairman,
Publicity Committee.

Approved
JOHN R. FOX,
President.

Purely Mutual

The

Chartered 1857

Northwestern Mutual Life Insurance Co.

MILWAUKEE, WISCONSIN

GEO. C. MARKHAM, President

INSURANCE IN FORCE, \$1,304,385,035

SATISFIED POLICYHOLDERS to the number of 13,073 (out of 45,862 persons applying) purchased additional insurance in 1913.

NORTHWESTERN POLICIES are easiest to sell and stay longest in force.

AGENTS PROTECTED by enforced No-Brokerage and Anti-Rebate Rules.

INCOME INSURANCE
CORPORATION INSURANCE
PARTNERSHIP INSURANCE

It Will Pay You to Investigate Before Selecting Your Company

Write to **H. F. NORRIS**, Superintendent of Agencies
MILWAUKEE, WISCONSIN

LARGE "DIVIDENDS"
LOW COST
SERVICE POLICY

Portland.

The regular monthly meeting of the Oregon association was held Monday evening, June 15, at the Commercial Club, Portland, Ore. Twenty-five members were present, and D. C. Herrin presided. Herbert H. Ward was chairman of the evening.

This meeting was devoted entirely to a discussion of education and conservation campaign.

Mr. Ward gave a very clear and concise statement of the purpose of this campaign, and told what it was necessary for each life insurance agent to do in order to make the campaign a success. He stated that the benefit to be derived from such a campaign, in his estimation, will be manifold in comparison with the small outlay necessary from each man.

After a complete discussion of the matter by various members, a resolution was introduced by William Goldman, as follows:

"RESOLVED, That the Life Underwriters' Association of Oregon go on record as being in favor of and do hereby subscribe to the education and conservation campaign of the National Life Underwriters' Association, five cents (5c.) per thousand on paid-for business of 1913 by each agent and manager, and that a committee of two, Messrs. William Goldman and H. H. Ward be hereby appointed to act and to make collection from each agent and manager of his proportionate share and remit the proceeds in proper proportion to the National Association and to the Oregon association in accord with the program laid down by Chairman Wm. Horner."

This resolution carried unanimously.

Puget Sound.

At the June meeting of the Puget Sound association, a resolution was adopted pledging support to the Institutional Advertising Campaign of the National Association. Arrangements have been made to immediately take up the matter of securing pledges from the members. The program included an address by G. K. Betts, cashier of the American Trust and Savings Co., of Seattle, on "Principles of Commercial Credit," and a paper by Chas. C. Thompson, of the Metropolitan Life on "Monthly Income Insurance." Three new members were admitted: A. D. Walker, Massachusetts Mutual; Chas. S. Abbey and Mrs. Frances M. Keller.

The Puget Sound association has commenced a campaign of local advertising, and the first advertisement appeared in *The Post-Intelligencer* in its issue of June 22. The advertisement of the association will appear each Monday on a special page which the paper devotes to insurance and finance. Funds to meet the expense of the advertisements have been subscribed to by members of the association. The initial advertisement read as follows:

"LIFE INSURANCE TO THE FORE.

"This space has been engaged for each Monday's issue by the Puget Sound Life Underwriters' Association. Not by the companies themselves, but by the Seattle managers and agents banded together for service.

"Our object is simply to show what legal reserve insurance will do, and your advantage in securing more of its protection.

"The question is asked: 'Will a twenty-payment policy give my money back in twenty years?'

"See next Monday

"Puget Sound Life Underwriters' Association."

Rochester.

The June meeting of the Rochester association took the form of an outing. All members who had motor cars met in front of the Masonic Temple at 1:30 and took the other members to Newport House, on Irondequoit Bay. Naturally, it could not be a successful outing without a ball game, and it developed that Captain Nell's team outclassed Captain Weaver's. The second game was won by the team captained by President Withington. There was also a tug-of-war and other games, after which a fish and chicken dinner was served.

St. Louis.

As the time for the annual Convention of the National Association is rapidly drawing near, the St. Louis association is making plans to have a full quota of delegates at that meeting. Several months ago a Cincinnati club was formed with the idea of having a large delegation present, the general plan being to have all those members who expected to go to set aside a monthly sum to defray their expenses—in other words, the association went into the savings bank business for the purpose of securing for that city the Convention of the National Association for 1916. The members of the association want to meet on their home ground the members of the National Association, and want them to know that there are more people within a radius of 500 miles of St. Louis than of any other city in the country.

The able and hustling president of the association, J. M. Bloodworth, has appointed as delegates and alternates men who will be at Cincinnati, and these men will work for the good of the association and the hope of securing the 1916 Convention.

The members of the association have about finished securing subscriptions for the institutional advertising fund, and if advance information may be relied upon, St. Louis will contribute something like \$6,500 to the local fund, which is five times more than the committee of the National Association asked for.

South Carolina.

"A pronounced success," was the verdict of all life insurance men who attended the annual banquet of the South Carolina association at the Jefferson Hotel, Columbia, June 12.

F. H. Hyatt, of Columbia, president, acted as toastmaster, and splendid speeches were heard from the following: Mayor Lewie A. Griffith, "Welcome to Columbia"; D. C. Heyward, former Governor and now Collector of Internal Revenue; F. H. McMaster, insurance commissioner; W. J. Roddey, Rock Hill, manager for the Equitable Life; M. M. Mattison, Anderson, manager for the Mutual Benefit Life; W. H. Hil-

PACIFIC MUTUAL LIFE INSURANCE COMPANY

(LIFE DEPARTMENT)



Organized 1868

We have some good open territory in Arizona and will offer attractive general agency contract to right man.

Address the COMPANY, AGENCY DEPARTMENT, at Los Angeles, California.

—or—

Vice-President DANFORD M. BAKER, 1430 Insurance Exchange Building, Chicago.

ler, Columbia, special agent for the Mutual Life of New York; A. S. Caldwell, Chattanooga, vice-president of the Volunteer State Life; and Charles H. Barron, attorney of Columbia, counsel for several life insurance companies. T. Moultrie Mordecai, of Charleston, counsel for the Association of Life Insurance Presidents, was an invited speaker, but he was detained at home on account of illness.

Forty-six members of the association gathered around the banquet board in the Rathskeller of the Jefferson Hotel, and the plans, as made by Carroll H. Jones, Columbia, chairman of the executive committee, and W. Smedes Hendley, Columbia, secretary-treasurer of the association, were carried out to the satisfaction of the entire membership.

M. M. Mattison, of Anderson, advanced the idea of the association offering a medal to the member of the senior class of each college in the State for the best article on the subject of life insurance. The plan was referred to the executive committee with power to act. The association was invited to Charleston for its next meeting.

New members elected include: F. S. Munsell, New York Life, Columbia; R. E. Arnette, Florida Life, Winnsboro; J. H. Bonnett, Florida Life, Norway; Wm. M. Carter, Germania, Columbia; Sam M. Grist, Mutual Benefit, Yorkville; A. R. Goodwyn, Life Insurance Co. of Virginia, Columbia; C. H. Parks, Florida Life, Norway; A. Byers, Metropolitan Life, Columbia; W. H. Hiller, Mutual Life of New York, Columbia.

Syracuse.

The June meeting of the Syracuse association was held at the country residence of Frank H. Hale, of the Travelers. It commenced in the afternoon with a baseball game, which resulted in a final score of 48 to 16, and the members of the association are yet endeavoring to decide just where the 48

belongs and to which team the 16 should be awarded. After the ball game dinner was served, which was followed by a short business meeting at which delegates and alternates to the Cincinnati convention were elected.

Texas.

In accordance with its usual aggressive spirit, the Texas association has sent in a communication to the cashiers of all the banks and trust companies in the State calling atten-

AGENTS WHO REPRESENT THE PENN MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

HAVE AN INSURANCE CONTRACT
TO PRESENT WHICH IN THE SUM
OF ALL ITS BENEFITS IS UNSURPASSED
IT IS BEST NOT JUST ONE WAY
BUT BEST ALL WAYS

AND ALWAYS
BACK OF IT IS A SIXTY-SEVEN YEAR
REPUTATION FOR FAIR DEALING
WITH ALL ITS POLICYHOLDERS WHETHER
CONTINUING, WITHDRAWING, MATURING
OR DYING

Consider the selling value of a policy like this —

In nine cases out of ten the factor of cost makes or breaks a sale in life insurance.

Low net premiums, like those shown here, coupled with Union Central's prestige, explain why Union Central agents succeed.

We have an excellent proposition for progressive men. Address, Jesse R. Clark, Pres., or Allan Waters, Supt. of Agents.

**The Union Central Life
Insurance Company**
OF CINCINNATI

Life Income Policy

Providing for 20 years certain, and as much longer as the beneficiary may live a

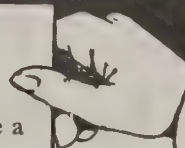
Monthly Income of \$100.00

Age of Insured and Beneficiary 40 years.

Issued in 1911.

Annual Premium \$621.10

Dividend at end of First Year.....	\$110.70
Reducing net cost that year to	\$510.40
Dividend at end of Second Year.....	\$115.02
Reducing net cost that year to	\$506.08
Dividend at end of Third Year.....	\$119.70
Reducing net cost that year to	\$501.40



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MONOTYPERS
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BINDERS

**High-Grade Book and
Catalogue Printing**

EXPERTS IN
INTRICATE
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NEW YORK OFFICE
105 WEST 40TH STREET

TELEPHONE 983 BRYANT

A MODERN PLANT
LOCATED AT LYONS, NEW YORK

tion to the Texas laws on rebating, misrepresentation and misappropriation of premiums.

The existing statutes are quoted in part, and it is thought that the latter will have a salutary effect, as the bankers are closely allied to life insurance transactions in their respective communities. The cashiers and officers of the bank are requested to speak a good word for the Texas association, so that the movement for a higher standard of field ethics may gain strength.

Topeka.

The regular monthly meeting of the Topeka association was held on June 15, and the following new members were admitted: W. H. Justice, agent, Equitable of New York; Earl W. Zinn, Aetna Life; O. T. Cropper, Aetna Life.

Utah.

Thomas W. Sloan, secretary of the Guardian Casualty, was the principal speaker at the regular quarterly meeting of the Utah association, held at the Commercial Club, Salt Lake City on June 18. Mr. Sloan's remarks had to do with insurance in general, and his address was interspersed with interesting personal experiences.

West Virginia.

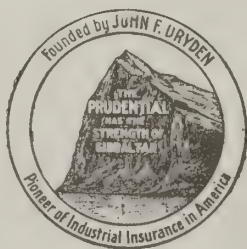
The regular meeting of the West Virginia association was held in Wheeling, W. Va., on June 20. The meeting was preceded by a luncheon at the McLure Grill.

This being the annual meeting of the association, the election of officers was held, resulting as follows:

Geo. C. Crook, president; J. E. O'Brien, first vice-president; H. A. Vidal, second vice-president; Geo. Baird, treasurer; Thos. S. Meek, secretary; executive committee: H. M. Taylor, F. E. Armbruster, H. M. Kimberland, Thos. B. Sweeney, C. A. Vaden, J. P. Hanley.

Thos. B. Sweeney was selected as a member of the national executive committee. Delegates and alternates to the Cincinnati convention were also elected.

The Young Man's Great Opportunity



for success to-day is
—salesmanship. Life
Insurance selling of-
fers unlimited oppor-
tunities for success.

Write us
about an agency

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

FORREST F. DRYDEN, President.

Home Office, Newark, N. J.

Incorporated as a Stock Company by the State of New Jersey.

Six Shining Months

The representatives of this Company have thus far in 1914 written and placed more insurance than in any previous six months' period. Each of the six months shows a gain over its predecessor in 1913. This vigorous growth is not accidental. It comes from recognized worth,—perfect policies, low cost, great financial strength, efficient service. And our representatives are happy in their relations with the Home Office.

Occasionally we have a General Agency opening for a capable life underwriter.

JOSEPH C. BEHAN, Supt. of Agencies

**Massachusetts Mutual
Life Insurance Company**

Incorporated 1851

Springfield, Mass.

ÆTNA Life Insurance Co. OF HARTFORD, CONN.

ISSUES BOTH

**Participating and Non-Participating
Life and Endowment Policies**

Also Non-Participating Term Policies

Agents will find that the policies of this Company cover a wider range and provide greater benefits than others, and are therefore easiest to sell.

Experienced and successful men, also successful men without life insurance experience, may find satisfactory opportunity with the AETNA LIFE. Address:

**FRANK BUSHNELL, Agency Secretary,
HARTFORD, CONN.**

**or T. B. MERRILL, Supt. of Agencies,
134 Monroe Street, CHICAGO.**

Life Association News

OFFICIAL ORGAN OF THE NATIONAL ASSOCIATION OF LIFE UNDERWRITERS

Entered as second class matter, Feb. 4, 1907, at the Post Office at New York, N. Y., under the Act of Congress of March 3, 1879.

Vol. 8.

NEW YORK, AUGUST, 1914.

No. 12.

To Delegates and Alternates to the National Convention, and all Association Members

Baltimore, Md., Aug. 12, 1914.

Gentlemen:—The Twenty-fifth Annual Convention of the National Association of Life Underwriters, which will be held in Cincinnati on the 15th, 16th, and 17th of September, marks an event in the history of American Life Insurance which should be participated in by every Convention Delegate and Alternate in the United States.

It is also our desire to extend a most cordial invitation and hearty welcome to all Association members, as this is **your** Convention, and no investment of time or money during the year can bring to you such returns as those involved in your coming to Cincinnati on this occasion.

The program, as arranged, is unusually strong, constructive and designed to be helpful to all life underwriters, bearing directly on some of the most important problems now confronting the life insurance profession.

The social features of the Convention and entertainment, which have been so generously planned by the Cincinnati Association, will constitute a most enjoyable part of this Twenty-fifth Meeting of the greatest insurance organization in the world.

Very truly yours,

ERNEST J. CLARK,

President.

HEAVY HOTEL RESERVATIONS BEING MADE FOR THE CININNATI CONVENTION.

Several Local Associations Will Attend with Full Membership, While St. Louis Association Will Charter a Special Train—Recent Appointments of Delegates and Alternates.

Millard W. Mack, the national executive committeeman from the Cincinnati association, who is looking after hotel reservations of life underwriters who expect to attend the Twenty-fifth Annual Convention on Sept. 15, 16 and 17, is being swamped with applications for hotel accommodations. Reservations actually made up to date are far in excess of anticipations and the general convention committee of the Cincinnati association is now assured that the convention will be a huge success from the standpoint of attendance.

Reference has been made to the accessibility of Cincinnati, and this being the case, should the local associations in Ohio turn out in full force, the attendance from these associations alone would be 391. That such may be the case is intimated by replies received from the various associations located in that state. For instance, H. H. Steiner, president of the Columbus association, which has a roster of 61 members, has just written to the committee that he expects every member of his association to attend.

Also, from present indications, many other associations expect to make a special effort to send a large number of representatives. The St. Louis association expects to capture the 1916 convention and will be at Cincinnati in full force, arriving there on a special train. The same condition obtains on the Atlantic seaboard, where the Richmond association is equally determined to take the 1916 gathering to its home city.

The Big Problems.

From reports throughout the country there seems to be an unusual interest in the approaching gathering. Life underwriters are beginning to realize the far-reaching importance of the two principal problems now before the national body; the matter of taxation and the education and conservation propaganda. The interest in the two questions has been greatly stimulated by the booklet, "Taxation of Life Insurance Policyholders," written by National Vice-President Edward A. Woods. The booklet is now in its tenth edition and in a short time 100,000 copies will be in the hands of policyholders of this country. Many of the companies are ordering in quantities of 5,000 copies or more. Edward A. Woods, Jules Girardin and Warren M. Horner, of the Education and Conservation Committee of the National Association, recently held a conference at Mr. Girardin's office in Chicago and are confident that the pledges which will be secured prior to the convention will convince the life insurance fraternity of the practical value of the propaganda.

Other than the two big problems which will be discussed at the convention, the program as announced will undoubtedly prove to be most practical and helpful.

It has been decided to hold the reception on the evening of the 15th, at the Hotel Sinton.

John L. Shuff, of the Union Central, who was recently elected president of the Cincinnati association, desires to extend through LIFE ASSOCIATION NEWS a hearty invitation to the delegates and alternates who may be elected to attend the convention. Mr. Shuff suggests that as many as possible arrange to arrive on Sept. 14, as some extra courtesies have been planned for that evening.

He further states: "We also especially urge that the delegates and alternates bring their wives or their ladies with them, as our committee has made extra effort for their entertainment, and while we do not intend to make this convention exclusively social, we assure you that there are many interesting points in Cincinnati and surrounding country which we hope to have them enjoy. With a luncheon and entertainment for the ladies on Tuesday at noon, a reception and ball that night, a magnificent boat ride on the largest inland boat

in the world, and a banquet on Thursday evening, we promise you our best."

President Jesse R. Clark, of the Union Central, has extended an invitation to the members of the Executive Committee, through Chairman Willet, for luncheon in the library of the Union Central Building on Sept. 14, and in the evening at 8 o'clock a reception will be held at the Home Office Building, to which all delegates, alternates and guests are invited.

Cincinnati has a great many points of interest to a visitor. Entitled to first mention is the Cincinnati Zoological Garden, ranking among the very best of its kind in the United States, if not in the world. On summer evenings the Cincinnati Zoo, with its beautiful clubhouse and concerts, is the mecca for thousands of Cincinnati's own people and visitors. The city has three principal amusement parks—Coney Island, situated about 10 miles up the Ohio River; Chester Park, in the north-central part of the city, and a lagoon across the river in Kentucky. Between Coney Island and the city is maintained a line of steamers operating in the summer season, which carry a tremendous traffic annually.

City Has Many Attractions.

Cincinnati abounds in other attractions. There is the famous Rookwood Pottery, located on the brow of Mount Adams, overlooking the city, and the Art Museum and Art Academy in Eden Park. The Rookwood Pottery, where the beautiful Rookwood ware is produced, is visited annually by a large number of people and is unique among industries of its kind. The Art Museum is the home of one of the best art collections to be found anywhere, and the Art Academy attracts students from all parts of the United States.

The city has a system of public parks and boulevards which cover 1,900 acres. The oldest part of the system is Eden Park, located at the crest of Mount Adams. Other beautiful parks are Burnet Woods, in which is located the University of Cincinnati; Lincoln Park and Washington Park, in all of which free band concerts are given.

In addition to the list of delegates and alternates published in the July number of the News is appended the following appointments, which have been reported to the office of the corresponding secretary since the last issue:

Akron.

Delegates—F. C. Dibble, Massachusetts Mutual; A. R. Bright, John Hancock; F. W. Sweet, John Hancock; M. Coulter, Ohio State; W. W. Peters, Prudential.

Alternates—C. C. North, Midland Mutual; F. O. North, Aetna; A. L. Abt, Equitable; D. K. Paige, Mutual; A. F. Durant, Mutual Benefit.

Western Arkansas.

Delegates—John M. Andrews, Germania; James W. Arnold, National Life of U. S. A.; H. K. Albers, Union Central; W. B. Collins, Northwestern National.

Buffalo.

Delegates—Joseph E. Gavin, Equitable; F. G. Lapey, John Hancock; F. W. Tracy, Aetna; C. D. Buckpitt, Union Central; C. W. Fielder, Northwestern; C. S. Elliott, Travelers; W. G. Justice, Provident Life and Trust; C. G. Mousley, Mutual Benefit.

Alternates—H. J. Emerson, Mutual Life; F. E. Lahr, Prudential; G. S. Staniland, Metropolitan; E. G. Hatch, John Hancock; F. A. G. Merrill, State Mutual; J. B. Thebaud, Massachusetts Mutual; C. N. Weber, Home Life; W. Minn, Security Mutual.

Canada.

Delegates—J. A. Tory, Sun Life; George E. Williams, North American; A. J. Meiklejohn, Confederation; William McBride.

Capital District.

Delegates—Seward V. Coffin, Provident Life and Trust; Henry H. Kohn, Phoenix Mutual; James Q. Barcus, Mutual.
(Continued on page 19.)

LIFE INSURANCE COMMISSIONS FOR LIFE INSURANCE MEN ONLY.

Helperism and Part-Timeism Offer the Only Perfect Way by Which an Agent Can Secretly Rebate—The Man of Scattered Ability, the Jack-of-All-Trades Who Is Proficient in None.

By John I. D. Bristol, General Agent, Northwestern Mutual Life Insurance Co., New York City.

Mr. Bristol delivered this address on July 20, before the Detroit association. Whether you agree or disagree with him, you must admit that Mr. Bristol is one of the few big men in Life Insurance. His agency averages over \$1,000,000 monthly in paid-for business. These principles, he claims, are responsible for his success: NO REBATERS; NO BROKERS; NO HELPERS; NO PART-TIME MEN; NO SINGLE-APPLICATION-REBATE-SHIFTING RESPONSIBILITY CONTRACTS.—Editor's Note.

The chief obstacle in the way of the success of managers and general agents in the business of life insurance to-day is the long existent and rapidly growing difficulty in obtaining new men.

Let us assume that your new agent, instructed through the aid of your experience, encouraged by the recital of great life insurance records, and filled with enthusiasm for his new calling, is about to write his first application.

During the interim of his last soliciting calls, an incident occurs that is as destructive to the evolution of new agency work as it is universal in the business. The probable applicant has been approached by his bookkeeper, given full information as to commissions, and shown how a very large proportion of the first premium can be saved. Following this, the bookkeeper telephones to the general agent, to the effect that he is thinking of taking up the business of life insurance and has his first risk to place. The general agent telephones the best that he can do, and, shortening the story, with the last vibration of the telephonic diaphragm, all evidence of another wretched rebate crime has faded into nothingness.

The new agent, if of high organic quality, has made his last call. The business which tolerates, if it does not actually encourage, such practices, is not for that kind of a man. This tragedy is being universally enacted day by day. Every soliciting agent of experience has had his similar case.

A Strange Antithesis.

What a strange antithesis! The difficulty in obtaining agents and the work of instructing and encouraging them, coupled with the pandering to a universal system of helperism and part-timeism that drives the honest man from the business ere his first application is written, and retains as his future representatives of life insurance companies only those men who are willing to lend themselves to disgraceful methods. This is one of the most pronounced factors to-day in what is called the profession (!) of life insurance. There is no other calling in which such a state of things exists, or in which it would be tolerated.

As great life insurance men are rare, the making of a life insurance agency record is most attractive. The honest agent accomplishes this by study, application, energy, persistence and a daily work that broadens him out into a grander manhood.

But there is another way of making a record: By the aid of helpers, part-timers and agents-for-a-day; and, with every record so made, there is a long drawn out and hidden abnormality of stolen business, rebates and a belittling of manhood.

Do away with helperism and part-timeism, and in the place of fictitious records, with disastrous results, you help the makers of real records to inscribe their names upon a spotless roll of life insurance success!

I knew of an agent who had 400 helpers in one city. For several years he was the only agent of his company in that locality. Nearly every case worked up by a new agent would be caught by one of these 400 helper-spies. Every probable applicant might well have re-echoed the words of Provost, in Shakespeare's "Measure for Measure":

"Who in his office lacks a helper!"

And this agent, when his record fell low, might, with La Pucelle, in "King Henry VI.," have made this frantic appeal:

"You seedy helpers, that are substitutes,
Appear and aid me!"

I knew a vice-president of a very prominent company, who became general agent for New York City. His common method of soliciting was to appoint one partner in a firm as an agent for the insuring of the other partners. No doubt all commissions in these cases were partnership profits, and any business in that house was barred to the regular agent for all the future.

This general agent had a successor who wrote beautiful letters to the lawyers of New York City, telling them that the English custom was for the legal solicitor to attend to insurance matters pertaining to the family, and that he desired to introduce the custom into this country.

Ingenious but Disreputable.

There are about 12,500 lawyers in the city of New York. Whether an agency license was obtained for each and every one of them, I do not know. I do know, however, that large insurers sometimes say to the real agent, when a new policy is tendered for collection: "I shall refer this document to my attorney for approval, and if he says it is all right, I shall send you a check." In this way there occurred opportunities for these attorneys to obtain their first life insurance cases—stealing policies from the regular agents, through a new phase of part-timeism that was as ingenious as it was disreputable.

The real agent is ambitious to become an expert, and by expert knowledge of the business he obtains his applications. Is it not strange that part-time men, with less life insurance knowledge, less life insurance education, less life insurance dignity, less life insurance integrity, less life insurance ability, and less life insurance conscience, can frequently secure business in competition with the regular agent, gifted with all of these requisites, possessing a magnificent reputation, and endowed with years of life insurance experience? There is but one explanation: Rebate! And rebating will last just so long as part-timeism and helperism continue. It will cease when life insurance commissions are paid to life insurance men only!

Self-discrimination.

The retention of business in force, the preparing of assignment papers, and advice as to plans, are all matters that pertain to the work of the regular agent and consume much of his time. His commissions are his only compensation. With all of these phases of the business, the part-timer has naught to do, yet he is paid the same commissions. Real life insurance agents who favor part-timeism are thus discriminating against themselves.

The general agent who desires a low lapse ratio should confine his business to agents devoting their entire time, talent and attention to the interests of his general agency. Part-timers would make but a sorry showing in arguments to continue business in force. Most of them would advocate the lapse, in order to obtain a new policy, on another plan and in a different company.

The general agent and manager who favors part-timeism, helperism and brokerage must reconcile the fact of the higher mortality accruing from these methods of work. Company statistics show a smaller mortality from the regular agents, a larger mortality from part-time men, and an excessive

mortality from brokerage business. There is a natural mortality selection in all of this, as there is in plans of life insurance, as well as a natural moral selection in the character of agency methods.

The broker peddles his impaired risks, hiding impairment as much as possible, until some company is found to accept; the part-time agent is too little interested in the ethics of the business—unlike the real agent—to decline a risk personally; and the helper, the agent-for-a-day, is sometimes the private secretary of a wealthy degenerate. His knowledge of the physical condition and habits of his applicant is often greater than that of the family physician. This secretary knows just how to write the application in such a way that acceptance is possible.

The mortality under the larger policies is greater. The reverse should be the case, for reasons that will be apparent to the life insurance expert. The greater mortality under large policies is in perfect harmony with the abnormality of part-timeism in general; and thus, aside from the enormous loss and discouragement to the regular agents, there is the increased cost to policyholders from this excessive mortality, for which life insurance men who foster and encourage part-timeism are wholly responsible.

Always Associated with Rebating.

Part-timeism and helperism are in line with the high pressure system of obtaining business that ended with the Armstrong investigating committee. Nothing could be considered as an obstacle in the way of obtaining an application by some companies, during that disastrous period of American life insurance. Part-time interference was closely allied with all that was reprehensible in those days; and it remains the most deplorable factor in the business to-day, associated as it is—and always was—with rebate.

Helperism and part-timeism offer the only perfect way by which an agent can secretly rebate. Any penalty for rebating can be evaded, by the agent appointing a rebating part-timer to write one application. Should the rebate become known, his contract is very promptly canceled, but as the work of this agent-for-a-day has been accomplished, there is no punishment, and none was contemplated by the agent appointing him. The agent who thus evades the penalty and disgrace of rebating is then ready for the appointment of another bookkeeper, cashier, floorwalker, entry clerk, janitor, elevator man, porter, proprietor of a bootblack stand, fire insurance man, real estate agent, plate glass agent, or even a barber.

Part-timeism is a competitive factor that few real agents can withstand. An agent knowing that his manager will accept part-time business is ever at the mercy of part-timers; and men engaged in other lines of business and looking upon the one or two applications that they may be instrumental in diverting to wrong channels, will deal with the manager and the general agent, if his agents will not deal with them.

The Danger.

The secretly appointed helper and part-timer who, in his capacity of bookkeeper, floorwalker, entry clerk or elevator man, watches the approach of the real agent, interferes with his work, and reports his probable applicant to some agent or general agent with whom he has made a compensating arrangement for this spying work, is naturally of a low order of mentality, and totally unfit to be the representative of any life insurance company.

The helper-part-time-life-insurance-spy is a life insurance rebater. The two go hand in hand. Is it not plain that everything undesirable in life insurance agency work is found in part-timeism and helperism, and that all of the elevating factors, without exception, are associated with the regular agent, who devotes his whole time and attention to the business and has no other calling?

Part-timeism is the great detriment to the diffusion of life insurance knowledge, the curber of agency progress, and is eventually, if unchecked, to ruin utterly the little that now remains of the opportunity for real life insurance agency accomplishment.

Managers and general agents have said to me: "If I had a large agency, I might try this brave and independent no-part-time method of obtaining business; but I am just starting my general agency, and I must accept such applications as are tendered."

To this I reply: "Your general agency will always be 'just starting,' if you accept brokerage, helper or part-time business. Your only course is to commence with one protected agent, if you can obtain no more. Such an agent is sure to add, in time, to your agency force. Without absolute agency protection the success of a general agency is impossible, and with part-timeism and helperism, that protection is entirely without the pale of acquirement."

Figures Which Talk.

The history of the New York City General Agency of the Northwestern is complete and ample proof of these assertions. Its paid-for business, even in this year of financial uncertainties, averages over \$1,000,000 a month. It has about \$160,000,000 of insurance in force. It mails over 32,000 premium notices annually. The response to these is an annual premium income of nearly \$5,000,000. Its average policy is nearly \$6,000. In that general agency everything pertaining to rebating was killed years ago. The agency confidence, harmony and good feeling among its business representatives all writing an unusually large amount of insurance, bespeak the life insurance brotherhood of man. Of the hundreds of experiments and the millions of dollars expended in New York City, in efforts to establish general agencies, it is the one conspicuous success—and to what can all of this be attributed?

To the company it represents? Yes, in a measure; but you know, every life insurance man "has the best company." To its manager? Well, perhaps, in a little measure. But let me give you the real reason of the brilliant success of that great general agency:

AGENCY PROTECTION.

No Rebates.

No Brokers.

No Helpers.

No Part-time Men.

No Single-Application-Rebate-Shifting-Responsibility Contracts.

All Commissions of Rebating or Brokerage Agents Forfeited to the Anti-Rebate Fund of the General Agency.

There is no time like the present! What better time could there be for making Detroit the pioneer city in this grand movement? A combination of general agencies, a small advertising fund contributed in proportion to last year's business, and a brief advertising statement that on and after Sept. 1 next no application could be written except by a duly authorized life insurance agent, engaged in no other line of business, and that this was done in the interest and for the protection of policyholders, would result in an enormous increase in your business, and the bringing to Detroit of many a good life insurance agent who is now looking for fair treatment and honest methods.

Not a Profession.

With part-timeism, life insurance must ever remain outside the domain of a real business calling. With life insurance commissions paid to life insurance men only, it would become the grandest profession to which the mind of man could be applied.

I hear some part-time advocate exclaim: "With the difficulty in obtaining new men, should we not allow our newcomers to retain their positions in other callings, and do a life insurance business on the side, until they become strong enough to work life insurance alone?" These objectors tell me of Lindsay, of Buffalo, and Knight, of New York, who began in that way and now rank among the great life insurance men of the country.

Well, there are exceptions to all rules, barring one: The rule of Life Insurance Commissions for Life Insurance Men Only! Had Lindsay and Knight been kept out of the busi-

ness by this rule, we would have lost Lindsay and Knight, but the bane of perhaps 100,000 helpers and part-timers would not have been ours to contend with to-day!

In this connection, we must not overlook the case of one of our leading men, who hesitated some years ago about giving up an income of \$1,300 a year for the purpose of becoming a whole-timer, and whose paid-for business in our general agency has averaged for several years past about \$700,000 annually. Had this man continued as a part-timer, we would never have been heard of as a conspicuously successful life insurance man; and there are hundreds of similar cases.

A Jack-of-All-Trades.

The part-time man, when gifted, is a man of scattered ability, a jack-of-all-trades, proficient in none. When not gifted, part-timeism fits him. Part-timeism, by scattering the energies and productiveness of men, is like a charge of shot compared with the one-energy, one-ambition ball that, aimed at the target of endeavor, so frequently scores in the very center of the bull's-eye of success.

And right here let it be universally admitted, that so long as part-timeism is a factor in the business as it is to-day, the general agent and manager who advises as he would wish to be advised, should be careful indeed of any admonition that would induce the giving up of a salary of consequence, earned in any other calling, for a new business whose commission compensation is so scattered about the country that it strikes every occupation, with hardly an exception.

And now, as to the frequently heard assertion that the payment of life insurance commissions to life insurance men only might do for the cities and larger towns, while part-timeism and helperism are a necessity for country districts: so far as the hamlets and little towns are concerned, we all know that there is hardly one of them that is not so far, after all, from some city of ample size to support agency work, and that the little places can be easily visited in nearly all cases from the larger places.

Some general agents have tried the experiment of no part-timeism in their city districts, but have left the outlying districts free to part-timeism; and in some of these cases we have heard of the larger risks being run to the smaller places or rebate-part-time-helperism purposes. It will not do! Part-timeism must be abolished altogether.

Then, again, in these little places the incomes run low. The minister is satisfied with a much smaller salary; the incomes of the doctor and the lawyer are not in any way large; and all of this is closely associated with the feasibility of placing some likely and ambitious young man on a partial salary and commission basis for two or three months, in order that he may devote his entire time, talent and attention to the active solicitation of applications.

A Plan Suggested.

General agents, these days, must have capital to run their business successfully. It would take but little of this, however, to obtain a complete list of every probable insurant in his young man's territory. These parties could be worked up by soliciting letters and circulars from the general agency office, with a visit now and then from an educated special, to close the business, until the new agent, having obtained his start, is upon a purely commission basis of success.

How much better in every way this plan than the rare application from some justice of the peace, real estate or fire insurance agent! The latter plan is not at all feasible, and for this reason there is but little life insurance written in the smaller places, as compared with the cities. To adopt the true and preferable plan, it would be necessary to abolish wholly all part-timeism and helperism, for even with two or three spies in every hamlet, who write no business but who are ever ready to interfere with the work of a new agent, a real cultivation of country fields is impossible.

The value of calls and interviews by the real agent is readily ascertainable. It is a matter of simple statistics. Each agent has but to divide the number of calls annually with

his total realized yearly commissions, to ascertain just what each call is worth, on the average—whether or not an application is secured, or even if the party called upon is not seen.

The number of calls is thus a sure indication of the agent's income; and if, with the varying personality and mental force of the agent, his calls average \$3, \$4 or \$5 each in first year's commissions during the year, he can readily ascertain his income-producing power. Most agents can easily increase from 50 to 100 per cent. the number of calls—which lead to interviews, interviews to applications, and applications to commissions.

The part-time man makes no stated number of calls day by day. He does not get his business that way. He does secure some business from the calls and interviews made by the real agent.

Part-timeism is, therefore, reducing the value of every call the real life insurance agent makes; is cutting down the value of every interview that the real agent secures; and, in the end, is lowering the income of every real life insurance man in this country.

The Protective Principle.

There arises from the protective principle underlying and associated with all lines of business or professional endeavor, a pronounced factor of co-operation to the one best end. Even where competition is so strongly marked that a survival of the fittest results, this feeling of co-operation rises even higher, for in the end the strongest competitor is he who is best in all things pertaining to the grander evolution of the business followed.

In accord with this great law, there are no questionable methods underlying the work of bankers or business men. In life insurance it is entirely different. We know that real agents and part-timers cannot in any sense co-operate. Their methods widely differ. They look with entirely divergent views upon the business: The real agent, as the source whence his living is derived; the part-timer, as a means of some commissions now and then.

With the payment of life insurance commissions to life insurance men only, the great principle of co-operation would evolve at its best, resulting in the sure and speedy growth of a profession to which the highest mentality of men could well be unswervingly devoted.

The present-day need of life insurance is ability. In all other lines this is abundant. The brain needs of the great banking and mercantile interests, of science and invention, of the legal and other professions, have all shown a wonderful mental development of accomplishment.

Present Restrictions.

Life insurance ability alone is retarded, hampered and restricted. It is no uncommon thing for prominent lawyers and men in other callings to be in receipt of incomes ten times greater than those of leading life insurance managers.

Whence comes these hampering restrictions? How originated the feeling among officers of companies, that agents must not be taken too seriously? Whence comes the shortsightedness of life insurance men in general? How came the saying of one of the most noted presidents of a great New York company, in reference to agents: "We use them like lemons—get what we can out of them, and throw them away!"

Why all of this? Simply for the reason that life insurance men have belittle themselves, have thrown away their dignity, and in the end have rendered themselves unrespected and powerless, by giving part-timers, helpers and brokers a controlling interest in their business! Just so long as part-timeism enrolls all comers on the life insurance scroll, just so long will there exist a bar to real life insurance evolution. The life insurance field, which should be the great school of American life insurance development, will, owing to the bar of part-timeism, present in the future but few candidates of expertness to fill actuarial and home office managing positions.

Excluding industrial business, there was issued in 1913 in the great State of New York \$293,582,855 of life insur-

ance—the work of 26,251 agents, as shown by the number of agency licenses. We are officially informed that these licenses were issued only to men engaged wholly in the business of life insurance and such part-timers as intended ultimately to engage exclusively in it.

Notwithstanding this apparent barrier to a wholesale part-timeism, the average paid-for insurance of each of the 26,251 New York State agents was but \$11,184. Deducting from the total the paid-for insurance written in our own general agency and by the other agents of record throughout the State, it will readily be seen that possibly 24,000 of the remaining agents did not average \$5,000 of paid-for insurance in 1913. The \$85 of commissions, on the average, that each of these men received, may legally constitute an agency—but it falls far short of doing so morally, when only the best in the business is considered. Can life insurance be termed a profession, when its professors receive an income of but \$85 a year?

Investigating Conditions.

It would be interesting for each of you gentlemen to investigate the record of your own company for last year. Ascertain the number of authorized agents, the total insurance paid for, the average amount for each agent, and then, deducting the amount written by the real agents, strike an average for the balance. You will find a much worse condition of things than exists in the Empire State to-day—deplorable as that is.

The power of salesmanship is innate. It is akin to greatness. Mercantile prominence all over the earth is due to it, when associated with the factor of protection. To illustrate:

An agent is introducing a new brand of whiskey. He goes to the cities, towns, villages, hamlets and the cross-roads, presents his samples, states his prices and is absolute monarch of the situation. A whiskey seller—yet he is clothed with the decency and dignity of protected salesmanship. The justice of the peace above the store, the blacksmith in the little shop across the street under the shade of the “spreading chestnut tree,” the shoemaker, the fire insurance agent, or the bookkeeper, cannot interfere with his business, undersell him, or tell him that he controls that sale; and it makes no difference whether it is a whiskey salesman who is receiving a commission of 5 per cent. or 7½ per cent., or a book agent who is receiving a commission of 60 per cent.—the same holds true. Without that agency protection there would be no whiskey salesmen or book agents. Through this wonderful power of protected salesmanship some of the greatest names in the annals of America have achieved their eminence. Mark Twain was a salesman, an agent, a book agent, when he commenced his career. Longfellow sold books by subscription, and General Grant was a salesman canvassing for Irving's *Columbus*. Had the justice of the peace, the real estate agent, the fire insurance agent, or the head of some large bootblack stand interfered with the development of that innate greatness, the faces of the nations of the earth might not have been wreathed in smiles by the writings of Twain; the victories of Grant might not have been won; and Longfellow might not have written his “Hymn to the Night” or “The Tales of a Wayside Inn.”

Great Salesmen.

Jay Gould starting in life was a salesman, an agent, a canvasser. James G. Blaine began his career as an agent for a “Life of Henry Clay.” Bismarck, when in Heidelberg, canvassed for one of Blumenbach's handbooks. Had all the early efforts of these great men been interrupted, had they been stopped in the path of salesmanship to greatness, would Jay Gould have become a financial power, would James G. Blaine have become the idol of a great political party, and would Bismarck have shaped the destinies of the German Empire in its greatest era of progress in the arts and sciences? Daniel Webster was a salesman, an agent. He paid his sec-

ond term's tuition at Dartmouth by selling “De Tocqueville's History of America.” George Washington—

“One of the few, the immortal names,
That were not born to die—”

when a young man was a salesman, an agent, for a work entitled “Blydell's American Savage.” Napoleon, when poor lieutenant, took the agency for a work entitled “*L'histoire de la Revolution*,” and in the Palace of the Louvre can be seen to-day the great Emperor's canvassing outfit. Near it is the long list of subscribers he secured. Had the justice of the peace, the fire insurance agent, the real estate agent, and all the rest of the part-timers interfered with the salesmanship efforts of these men, could we have said that such and such a man is a “Napoleon of life insurance”? And is it too much of a stretch of imagination to think that if Washington had failed, the Union Jack of old England might have been over us to-day, and Joseph Rodman Drake might never have written:

“When Freedom from her mountain height,
Unfurled her standard to the air,
She tore the azure robe of night
And set the stars of glory there.”

And Daniel Webster! Had he been thwarted or hindered by these part-timers, do you suppose there would have been recorded upon the pages of American literature that wonderful, that sublime utterance, “Liberty and Union, now and forever, one and inseparable”?

A Strong Plea.

To tell the men gathered about this board of the magnitude of life insurance; of its power of accomplishment in the evolution of the race which is dependent upon education, home comforts and a general freedom from poverty; of the dignity that should clothe the life insurance expert in his calling; and of a hundred other factors that should place the business in rank above all others, and render it, indeed, a profession—all of this is not necessary with this assembly. But, knowing the business as you do, will you not use your utmost endeavors from now on to put this calling that you consider so great and esteem so highly, on a par with agency protection with the selling of whiskey, whose salesmen know no part-timers as their competitors and no help as spies upon their work?

Five years ago a vice-president of a great New York company told me that helpers were indispensable to success. To-day that company is accepting business from its own agents only, engaged in no other occupation! Here and there throughout this great country of ours, general agencies are adopting agency protection and eliminating part-timeism. We have yet to hear any expression of regret over the adoption of these purifying methods. Very frequently a letter comes to me from some progressive life insurance man with whom I am not personally acquainted, expressing hearty concurrence in the newer and purer lines of agency work that the business so much demands.

The new star of agency protection that has taken its place in the sky of agency endeavor is never to set. It has ceased to twinkle with the feebleness of novelty. It blazes out the full effulgence of an ascertained truth. It is the star of wise life insurance men to follow:

Star of the East! Thy gleaming shield,
The Helper dreads to see;
The Rebater can no weapon wield
To blur thy brilliancy.

The Expert lives no more in dread
Of spies upon his way;
Thy light insures his daily bread
From Rebate's criminal sway.

The Broker, sly, the Part-Time Spy,
The floor-walker and the clerk,
Have ceased to be the enemies
That mar the Expert's work.

All hail to thee, O gleaming star!
We greet thy peaceful rays!
A United Brotherhood we are
Who sing thy merited praise.

In Progression's skies we see thee rise,
O Star of Strength and Might!
And in thy rays our energies
Arise to Grandeur's height.

Life Insurance and Character.

To imagine a modern community without life insurance is startling as to imagine the community without bread. Life could be tolerable under such conditions, but it would not be the normal life that civilized men know. Proper insurance is an essential provision for every man, whether for the protection of the family he shall leave behind him or for the comfort of his own declining years, when earning power shall have diminished.

A life insurance company well organized and rightly administered stands really in the foremost rank of organizations for social service. For true social service aids men to make the best use of their possessions, enabling them to work more efficiently and spend more wisely. He who has made proper provision for the future of those dependent upon him for support is a far better citizen than he who neglects this obvious duty. Many employers, recognizing the stability and reliability that is evidenced by life insurance, make special efforts to see that their employes carry policies proportionate to their earnings.—*Harper's Weekly*.

Persistence Pays.

Stick to your policy contract. Life insurance has and is showering blessings upon thousands of people, many of whom would otherwise be left without the comforts, and some without the necessities of life. Stand by your company. When the "twisting agent," in search of a commission for himself, advises you to drop your contract and take one in his company—turn him down. Ninety-nine times out of a hundred you gain nothing and pay the cost of insuring twice. If tempted by the gossip or attacks of competitors or others to withdraw from your company, your duty to yourself and to your company demands that, before accepting the word of outsiders, you give your own officers a chance to correct any misstatements or misinformation which may have reached you.

In case of doubt, write the home office. But, above all, stand by your company and its representatives. The future comfort and welfare of thousands of women and children and aged people depend upon your loyalty and persistency of purpose.

And should you be tempted by a temporary shortage of funds to drop your contract, remember that it is easier for you to borrow money now than it will be for your wife and children to do so when you are not here.—*The Human Factor*.

The Value of an Idea.

Once in a while a fellow gets a brilliant idea—a novel talking point—a new form of expression—a clever illustration, and it impresses him (and perhaps a couple of prospects) as remarkably good selling talk. But does it act on the will? When the Greeks heard Socrates speak they went away exclaiming, "What a splendid orator!" When they heard Demosthenes they cried out, "Let us go and fight against Philip." *The Federal-Chicago*.

HOW I WROTE \$600,000 DURING 1913.

The Secret of Immediate, Constant and Increasing Success Found in an Everlasting Adherence to Fundamentals—Action and a Clear Presentation of Your Proposition the Essential Elements.

By Eugene B. Stinde, Special Agent, Northwestern Mutual Life Insurance Co., St. Louis, Mo.

Seldom indeed is it our good fortune to publish such an article as this; its value is beyond question. Mr. Stinde answers this question, "How am I to succeed in more than a mediocre way when I am neither able nor brilliant? His answer is the strongest, sanest and most practical that has ever come to our attention.—Editor's Note.

I have been asked to tell you how I wrote \$600,000 during 1913. I am glad to tell you the reasons to which I attribute these results, because—

My methods are those which anyone can use.

No special genius or aptitude is required.

Were I a brilliant man, or a brainy man, or exceptionally tactful, or endowed with an intuitive gift for generalship, or with a deep knowledge of human nature, it is exceedingly doubtful, even though I discoursed to you ad infinitum and with the "tongues of men and angels," whether I could impart the secret of my methods.

For these latter qualities are either outright gifts of nature, incommunicable by rule or precept, or they are latent faculties that require years of training for their development.

Now what success I have had I attribute to using the same powers that everyone possesses in full measure—powers that need no development in order to reach their highest degree of success.

Two Great Powers.

These powers are just two in number, viz.: The power of truth and the power of action.

When I first took up the sale of life insurance six years ago I had heard much of the strategy, generalship, tact, wide acquaintance, popularity, ingenuity, finesse, scientific methods, etc., that are necessary to the successful life insurance salesman. And I said to myself: "How am I to succeed in more than a mediocre way when I am neither able nor brilliant?"

But it occurred to me that "The race is not always to the swift, nor the battle to the strong."

I was able to recall brilliant and brainy friends who had not really "made good," while, on the other hand, I knew many a plain man of ordinary personality and monosyllabic talk who succeeded in a big way.

"Why is this?" I asked myself.

Soon I came to the following conclusion, which I have since had no reason to alter. It is this: I believe that the secret of immediate, constant and increasing success in any line of salesmanship is, everlasting adherence to fundamentals. By these fundamentals I mean action, and the clear presentation of your proposition. No matter to what extent you utilize the other innumerable factors which the science of sales efficiency progressively reveals by analysis, you can merely increase the efficiency of the fundamentals, but you can never accomplish anything without these fundamentals.

Therefore I decided to see all the prospects I could and to see that they understood clearly the advantages of my proposition. I knew that if I did not see them, or, seeing them, I did not make them appreciate what it means to them to buy life insurance and, by contrast, what it means to them and theirs to be without this protection, I would not do business, no matter how much I knew nor how able I might be.

Emerson and St. John, gentlemen, were no impractical visionaries when the first said, "Pleads for itself the fact, as unrepenting Nature leaves her every act," and when the latter declared in effect that the word is power.

I am plain-spoken; I am in dead earnest; I never get away from fundamentals; I am not embarrassed by complexities; I state the undeniable, incontrovertible, self-evident facts, and rest my case on them, knowing that they will bear fruit in due season.

In this day of infinite maneuvering and jockeying, the most original method of approach in the selling of life insurance is the plain presentation of the merits of the proposition. Too many agents are apt to act on the assumption that the prospect does not want life insurance.

Now any prospect who should buy life insurance wants it; but as a rule does not know he wants it until the agents shows him.

James Campbell, of St. Louis, simplified the matter by getting right down to fundamentals when he said years ago in an article to young business men that "When a man clearly understands a good proposition he becomes anxious to invest."

So I say from my experience and observation: "Let us clearly present the superior advantages of our proposition to as many likely prospects as we can," and to do so with absolute confidence that the truth "is mighty and will surely prevail."

By action I mean not only during business hours, but on what might be called "opportune occasions." Such, for instance, as some good business that I wrote when on an outing of the Business Men's League. We had a hurry-up campaign for new members. I was assigned with two other men to go over to East St. Louis and solicit members. On the way over I wrote both of these men a policy, and on the way back I wrote the chauffeur.

A live agent can sell insurance, or pave the way, at a restaurant table, on a street car, or on any occasion where he is brought into contact with a possible prospect.

By action I mean a full day's work and then some, not calling four hours a day's work. By action I mean mental as well as physical. By action I mean utilizing any source of action, such as making one policy sell another. As, for instance, when I have written a personal policy on a man whose existence is valuable to his company or corporation, I make it a point to suggest that the latter take advantage of the examination and buy a business policy. A great deal of business insurance can be written in this way.

I also make it a point, when I write a policy, to deliver it in person. This not only shows my continued interest in the insured, but gives me the opportunity to ascertain other facts that will have a bearing upon getting more business per customer, or more customers.

I have been able to get more efficient action—mentally as well as physically—by wasting neither time nor talk in "kicking" or "bragging" either to myself or others.

One is apt to indulge in pleasant retrospection over past triumphs, but it saves time and increases results when we learn to write a man and then go after the next man without any interim of prolonged self-congratulation. While we are shaking hands with ourselves we might rather be shaking the ink down into a fountain pen preparatory to getting a new name on the dotted line.

Time and energy can also be most lavishly and completely wasted by creating mountain ranges out of mole mounds. I refer to such things as letting rejections bother you; or allowing a temporary lull in results to dampen your ardor; or fretting about any of the numerous tares that exist in perfectly good wheat and all other things mundane. Difficulties exist to be overcome; nothing here below is without its faults; but they all vanish before the magic of courageous, determined action, and by the same token, multiply only in a state of inertia.

Let me say a few words about the fruits of success that grow on the tree called "Loyalty." Loyalty is usually looked at from the viewpoint of duty—duty toward the company, its officers, policies, etc.

And so it is—a matter of high duty that we owe the company from which we derive our livelihood. But I assert that real, whole-hearted, deep-founded loyalty, is based not only upon a sense of duty, but upon a real regard—even love—for

the big institution that is doing such magnificent work in the world—a loyalty founded and grounded upon a full realization of the preponderating good in our great organization. Such a loyalty becomes love, and this love is an inspiration, pride, a faith, that drives one over the little difficulties with which all paths are beset. It communicates itself to the prospective buyer and shows finally, visibly and for all time in the fruits of "business written."

Let us be loyal in the fullest, highest meaning of the word; let us talk loyalty, think loyalty, act loyalty. Let our criticism be constructive and optimistic, when we must criticize. We cannot be really successful selling a policy we do not believe in, for a company we do not like. It is the spirit that makes us alive; and the essence of spirit is whole-heartedness in your loyalty. "Let your eye be single and your body shall be full of light."

May I venture to say here that I believe spiritual qualities—moral qualities—take precedence in importance over mental and physical qualities? This can be proven in a scientific way, by eliminating or reducing them in any given case, and noting the results. When we say a man has "lost his grip," or his "nerve," we do not mean that he knows less than formerly, but that certain spiritual elements are lacking, proving that they are fundamentally essential to success, and that knowledge is not power without them. Hope, faith, love—these are surely the life and light of the world—the mainsprings of effective action. To eliminate or diminish them in the human heart shows in diminished results—and "by their fruit ye shall know them."

One thing loyalty has done for me—it has canceled the power of rejections to bother me. I have come to believe that the company knows best; that its examiners know more than I do about what constitutes a good risk; and that all of the company's rules and regulations on this score are right and for the best interests of all concerned.

I know that the company wants the business just as much as I do, if it can be obtained on a safe basis; and it would not only be disloyal, but downright dishonest for me to want to do business on any other terms.

In many cases I have been more surprised at acceptance than at rejections. I have had some pretty big applications refused, but common sense shouted that it was bad enough to lose the business without allowing it to militate against the prospects of my writing other applications. So I say to you: Dismiss rejections, objections and dejection from your mind, and "Act—act in the living present, heart within and God overhead."

I want to say that I believe in scientific salesmanship and in the splendid results often obtained by applying the principles of sales efficiency. But it is my function to exemplify and insist upon the fundamentals first and last, and the necessity of adhering to them while we are increasing our efficiency by developing the finer points.

You asked me to tell you how I wrote \$600,000 in 1913, and this I have tried to do to the best of my ability, telling it in a way that may be helpful to others who have more ability than I, but less action and perhaps less confidence in the power of plain facts. For my own sake I would much rather have been asked to speak on "Why I did not write \$1,000,000 in 1913."

We can all of us ask ourselves why we did not write more business in 1913, and the results of such self-examination will be helpful. I believe that in nearly all cases the most serious deficiency would show either a lack of maximum action in seeing prospects, or a lack of maximum action (mental and spiritual, as shown in the spoken word) when seeing them. In short, do we see as many prospects as we really can be plain plugging, and do we do our utmost at each and every interview? How many can measure up to this standard?

Toward the goal of our maximum capacities let us press with high determination doing the best that in us lies, learning from one another's experiences and applying what we learn.

As for the lessons of my own experience, I sum them up in the two simple words, "Act" and "Faith"—easily remembered, demonstrably resultful.

To the Members Executive Committee of the National Association, and Officers and Members of Local Associations.

August 6, 1914.

Gentlemen:—

According to direct advice received and information published in journals, a majority of the Local Associations have passed resolutions adopting the plan of the Education and Conservation movement as promulgated by the Executive Committee in New York at its Mid-Yearly Meeting in April last, and are collecting funds therefor.

It is not possible for the Education and Conservation Committee to make an intelligent report of actual conditions without each Local Association, through its National Executive Committeeman or secretary or local education and conservation committee chairman, reports officially as to its action and the amount of funds raised, and balance expected.

Will each Local Association therefore please make a definite report **now** if possible, otherwise **immediately** after its September meeting where the meeting is held in September before the Convention?

It is especially important that education and conservation committees, or other Local Association members, report all information with regard to educational work, as lectures before universities or public bodies which have been, or will be, given during the coming year.

Yours truly,

W. M. HORNER,

Chairman Committee on Education and Conservation.

E. J. Clark, President,

National Association of Life Underwriters.

SELF-INVENTORYING.

Checking Up Your Mental Stock: Disposition, Temperament, Tact, Zeal, Energy, Stick-to-Itiveness—Many Surprises in Store from an Analysis of Debits and Credits.

By C. A. Atkinson, Vice-President and General Counsel, Federal Life Insurance Company, Chicago, Ill.

While excessive introspection is generally disconcerting, one should occasionally take account of personal deficiencies, then, as Mr. Atkinson says, "Burn the rubbish, clear away the cobwebs, banish the mistakes and cast away all doubts." This is a good suggestion, but as you read the following article you will find much else that will interest, inspire and stimulate.—Editor's Note.

The world "do" move. You are a part of the world; do you move?

Have you ever taken an inventory of SELF; not of your cattle, hogs, farm implements, household goods, but of SELF? Have you ever inventoried your mentality—your disposition—temperament—tact—zeal—energy—stick-to-it-iveness?

If you have not, it might be wisdom on your part to take a stroll some day soon, get by your lonesome and do so. When you make out this inventory be fair and square with yourself—no cheating—no false valuations. You will probably find on the debit side of the account the largest item will be "mistakes." As you are a human being, of course you have made mistakes—some large—some small. No doubt you are still totting a large number of these mistakes or blunders. You are carrying them around as though they were valuable assets. Every day you take a look at them—become discouraged. They are burdens on your "gray matter"—on your energy—your cheerfulness—your effectiveness—your success. Yet—you hold on to them.

Instead of learning from your mistakes and then burying them so deep they can never be resurrected, you cling to them, allowing yourself to be cheated out of doing your best. Shakespeare said:

"To mourn a mistake that is past and gone
Is the next way to draw new mischief on."

The Debit Side.

On the debit side of the inventory is there doubt as to whether or not the policy contracts of your company are as fair and liberal as those of any other company?

On the debit side is there some question in your mind as to whether or not your company treats its policyholders as fairly and equitably as other companies?

If you have any such doubts, it is your duty at once to take steps for their elimination. No man should represent a company who does not believe firmly in the fairness and liberality of its policies—who does not have the utmost faith in its dealing justly and equitably with its policyholders and their beneficiaries—in the efficiency and honesty of its management.

Another grave mistake many times is want of confidence in self.

Grant said he was going "to fight it out on this line if it takes all summer." He had no more doubt of ultimate success than he had of his existence. Have this same sort of belief in yourself—in your ability to win—in your getting the names on the "dotted lines."

By this confidence in self is not meant a dudish egotism—vanity—smart-alexisism. There is meant a confidence based on the fact that you have some brains—some education—some energy—some tact—some knowledge of men and a fixed purpose to win out.

Another large item on the debit side is "failure to work."

When taking this inventory, figure out how many hours you have actually worked during the past thirty days. By this is not meant the time you think you were working but the hours you worked—really and truly. It is quite likely you will be surprised at the small number of hours you were engaged in actual work.

Some men work hard enough but fail of success. Their work is haphazard—"catch-as-catch-can"—no system—energy wasted—working when and where failure must result—neglecting to work when and where success must result.

Hard, systematic, intelligent work becomes a source of pleasure because it brings profit and is the doing of things worth while.

Studying the Campaign.

Successful generals win battles by studying and planning before the battle begins. The campaign is carefully thought out before it is begun. The enemy's strong and weak points are diligently considered and how to meet the strong and take advantage of the weak spots. Some details may have to be changed or modified as the campaign progresses, but ever there is the following of the intelligent, systematic and predetermined plans.

In the insurance field is the competitor to meet and overcome. The thought of how to do this and the doing it ought to stimulate all the mentality and stir the ambition. Then the objections and excuses of the prospect must be met and overcome. Here also ought to be found the revivifying of energies—the bringing into use the predetermined plan of campaign—the grit that will not admit failure—the tact that pierces the armor of opposition and the zeal that never grows tired.

Franklin said:

"Dost thou love Life? Then do not squander Time, for that is the stuff Life is made of."

Often Time is squandered.

When you have completed the inventory, burn the rubbish—clear away the cobwebs—banish forever the mistakes of all the yesterdays—cast adrift all doubts—cease altogether the using of haphazard—sort o' kerwhack—unsympathetic—unintelligent methods—get entirely away from merely thinking you are working when as a matter of fact you are not. When you have done this—really and actually—you will find that practically all, if not all, of the debit side is wiped out, leaving many and valuable assets on the credit side.

There are no birds in last year's nests.

Realize that life is to-day—not yesterday—that the building is for the future.

The Credit Side.

Thus doing, what credits can you find? Brains—energy—zeal—system—tact—resourcefulness—bulldog tenacity—enthusiasm—fixedness of purpose—cheerfulness—courage—health—friends—confidence in self—in your company, in its policy contracts, in its management, in its fairness and justice in dealing with its policyholders and their beneficiaries—inspiration to do—will and ambition to achieve things worth while—realization that there is no nobler profession on earth than yours. Are you lacking in any of these credits? If so, get them.

You can make each of these credits worth one hundred cents on the dollar. It is your fault if any of them are worth less.

Rich—of course you are rich. In these credits you have the finest—most valuable assets on earth. They are the evidences of man's nobility—of his high prerogatives—of his equipment for achievements. Possessed of these assets, with a proper utilization of them, an agent can go forth fully panoplied to meet and overcome difficulties—surmount obstacles—rout discouragements—make himself a potent factor in his territory—enable him to exert influences that will bring splendid victories.

By the constant and intelligent use of these assets he can increase their power to an almost unlimited extent. By so using these assets he will not only produce satisfactory re-

muneration, but will also have that deeper and higher gratification of having kept the "gaunt wolf" from the door of the widows and orphans—of having helped to save many boys and girls from lives of crime and degradation—of having helped them to become useful and honored citizens.

The life insurance business itself is one of the greatest assets the field man has. Its history of good accomplished—of tens of thousands of homes saved—of scores of thousands of lives occupying useful and honorable places in all the professions and various lines of industry and business, is a history the contemplation of which should quicken the pulse—inspire to harder work and a determination to achieve greater and larger things.

A Wonderful History.

No other profession or business has such a history—a history replete with magnificent accomplishments, wonderful moral and material triumphs.

To be a part of such a profession—to be one taking part in making such history, is worthy the thought, the labor, the toil, the time, the ambition of any man.

To-day is the seed time for to-morrow's harvest. If no seed is sown to-day there will be no harvest to-morrow.

With confidence in yourself, in your company, in its management, in its policies, you will be able to convince your prospect that he needs insurance.

If you cannot convince him he needs insurance you never will be able to write him. Waste no time in arguments that life insurance is a good thing. Everybody knows that. After you have convinced your prospect that he needs insurance, then it is up to you to convince him that your company has the policy he needs. This done, you have secured his application. Don't talk a dozen different policies. If you do, you confuse your prospect. Inform yourself as to the prospect's financial condition, how many in his family, their ages, his environments; then intelligently you can decide the kind of policy he ought to have and convince him you know what you are talking about.

Don't scatter all over the life insurance field. In talking to a prospect concentrate on one or two forms of policies. Know these forms—all their terms and conditions.

While there are scores of good companies, yet for you there is but one company, and that is the one you represent.

Know when to talk and when to keep your mouth shut. The latter, many times, is as important as the former—sometimes more so.

Cultivate your policyholders. Do this tactfully. They will be valuable assets for you—both for increased insurance and obtaining new prospects.

Never forget that yours is a high calling—one that needs no apology. Its monuments are more enduring than brass, marble or granite.

A Grecian philosopher was once asked, "What is the greatest thought?" After much study he replied, "And these too shall pass away."

A Part of Eternity.

The mighty forests shall pass away—the mountains of granite shall crumble away—the pyramids of Egypt shall moulder to dust. But that which man has done to help his neighbor—to make life for his fellow man fuller of happiness and contentment—to preserve homes intact—to make it possible for the boys and girls to become manly men and womanly women—such acts and influences will never pass away—they are a part of eternity.

Many men dream of what they will do to-morrow.

Dreams, without action, never get us anywhere.

There must be the spirit of "I will to-day" in order to achieve.

Large success is made up of countless little successes.

Two boys were employed in the same office. They took turns in sweeping the office. One boy swept all the floors, including the corners. The other boy neglected to sweep the corners. The former became a successful business man—the other was a failure.

THE TREE DOES ITS BEST—DO YOU?

The Specific Purpose of a Life Insurance Agent Is to Develop His Powers and Faculties to Take Advantage of Opportunities.

By Robert J. Mix, Manager Prudential Insurance Co., New York City.

Look at that big tree over there in the park! My stars! It's a corker, isn't it? What a great, massive trunk—what a splendid spread of branches it has! Yes, sir—it's a corker sure enough, but, just the same, if anybody should tell you or me that we were not as good as that tree, we wouldn't like it first rate, now would we?

Just for the fun of the thing, suppose we dig down a little way into the facts!

That tree seems to *know* that it has a mission to perform, and that mission is to *grow—to expand—to furnish shade, comfort and perhaps sustenance to man—to be a delight to man's eye—to make still more beautiful the world in which it finds itself!* I know it's just a tree and, of course, it has no soul, but it *acts* as though it had one! *It sends its roots as far as possible down into the soil, it spreads its leaves and branches as widely as possible into the air, and, in fact, seems to struggle and strain to be as big and strong and beautiful as its circumstances will permit.*

It will thrive just in proportion to its environment! Did it ever strike you just that way before? Give it plenty of sunshine, rain and good soil and it will invariably respond magnificently to the Creator's call—it does its level best—all the time!

Now how about you and me, whom we will call the "average man?" Can we *truthfully* say that we are trying as hard as is the tree to fulfil *our* mission? Let's not forget that there's no doubt but what we—you and I—*have* a mission—*every one of us has a mission in the world!* We're placed here for a *specific purpose*, and that purpose is to *develop our powers and faculties and to take advantage of our opportunities to the very limit!* Heavens—how far we come from realizing the Creator's expectations with regard to us!

You and I are fortunate enough to be living in the *most prosperous* era of the world's history! The evidences of that prosperity are all around us. There never was a time when so many men enjoyed so many comforts—there *never* was a time when opportunities for education were so great or when the average intelligence was so high—there *never* was a time when men were so free or had a better opportunity to exploit their physical and mental powers!

That's right, my friends! We citizens of the United States—we life insurance men—are, in respect to our environment, like the tree that has the benefit of the sunshine, the rain and the favorable soil, but, unlike the tree, *we're not responding to these invitations to anything like the degree we should—we don't feel that sense of obligation to answer to the call of circumstance and opportunity to which the tree listens and which it obeys so gladly and unreservedly!*

Selling life insurance in the *right* way is a *high calling—it's a noble mission—worthy of the effort of the best man that lives!* If you are selling life insurance or trying to do so, that's *your* mission, and if it is your mission, it's *your duty to concentrate your efforts for from six to eight hours a day upon the attempt to directly and personally interest just as many people as you possibly can to buy policies in your company!* An hour or two wasted each business day means that *your mission is being slighted to just that extent!*

Taking pretty high ground, am I not? Well, my friends, show me where I'm wrong. I'm going so far as to say that I don't think that even a free American citizen who is in the life insurance business has a *right* to say that he will do as he pleases with his time—that he will not work *hard* (not "go through the motions") *seven or eight hours of every business day!*

Life Association News

A MONTHLY JOURNAL DEVOTED TO THE INTERESTS OF ALL
LIFE INSURANCE AGENTS.

PUBLISHED BY THE

NATIONAL ASSOCIATION OF LIFE UNDERWRITERS

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ARTICLE II OF THE CONSTITUTION.

"The object of this association shall be to advance the best interests of the cause of true life insurance."

Address all communications to

EVERETT M. ENSIGN, Editor and Manager.

Telephone, 4244 John.

LIFE ASSOCIATION NEWS, 56 Pine Street, New York City.

This newspaper is owned by the National Association of Life Underwriters, unincorporated, a voluntary association; Ernest J. Clark, president, Calvert Bldg., Baltimore, Md.; Frank D. Buser, secretary, 704 Commonwealth Bldg., Philadelphia, Pa.; H. Wibirt Spence, treasurer, 306 Penobscot Bldg., Detroit, Mich.

SUBSCRIPTION PRICE \$1.00 A YEAR IN ADVANCE.

BACK TO FUNDAMENTALS.

It so happens that Woodrow Wilson gives us a text for a few general observations peculiarly applicable to the subject in which all readers of this journal are supposed to be interested. Mr. Wilson has on various occasions referred to certain conditions and circumstances as being "psychological," and this term, together with the famous twin of his administration, "Watchful Waiting," have attracted the attention of every thinking person in the country; indeed, these two expressions have been the cause of volumes of comment both favorable and unfavorable.

"Watchful Waiting" presents itself to our consideration because it is the one policy or course of action which sounds the death knell of the successful solicitation of life insurance. "Watchful Waiting" implies a degree of conservatism, particularly in the profession of life insurance, akin to inaction, and this so surely militates against success that we feel inclined to apologize for calling attention to a truth so clearly obvious. We could in all sincerity reverse the meaning of the popular crutch of lazy people and say:

"Nothing comes to him who waits." Micawbers are generally failures, and they deserve to be. It is not necessary to employ a Sherlock Holmes to discover the cause of an unproductive agency staff; simply look for the marks made by shoes on the desks.

"Watchful Waiting," then, is connected to successful solicitation because it is the one thing entirely removed and unrelated to it.

Of late years there have sprung into existence numerous schools of salesmanship, quite a few of them being conducted particularly for life insurance agents. In addition to these there are several companies giving a training course at their home office or a correspondence course, and finally we have volumes which have been written on the psychology of life insurance salesmanship. In reviewing the productions which have been put forth dealing with this subject we cannot escape the conviction that much has been written which is absolutely without meaning to a very considerable number of agents. As it stands, it is, more or less, a chaotic mixture of mind and matter; a rude conglomeration of soul and sole.

Science will not permit us to doubt the influence of mind over mind, nor the influence of mind over matter. But in all our finely spun theories, with their wealth of subtleties, let us not forget the proper proportions of the two great and all powerful ingredients of successful salesmanship—inspiration and perspiration. Certain economic conditions in this country may be the result of psychological causes. President Wilson claims they are, and we are privileged to agree or disagree, according to our political predilections. But we can say most emphatically that the success of

“THE LAND THAT LURES”

The Pacific Northwest—The Puget Sound Country—The Columbia River Country—Seattle, Tacoma and Portland—is calling to you. Hear the call, Mr. Agent.

“COME TO THE PACIFIC WITH WARD,”

And combine your Salesmanship Ability with our Opportunity in a union which will spell Success.

For further information write H. H. WARD, Manager Pacific Northwest
Hoge Building, Seattle, Washington Title & Trust Building, Portland, Oregon

The ordinary life insurance salesman is not psychological, but to a great degree almost purely physical, a question for the feet rather than a problem for the brain.

Surely it would be a most gratifying accomplishment to substitute three score positive qualities of mind for the corresponding number of negative qualities. But show us this psychological wonder and we will show you the man who has done nothing but that. There are also several hundred “Methods of Approach,” all of which, one is led to believe, will, if carefully studied and observed, transform a man of insignificant personality into a paragon of magnetic resistibility.

There is still another important point—“the Psychological Moment.” This is the brief interval of time when the prospect figuratively throws up his hands and when the ejaculation, “I should worry,” is frozen in his larynx. It is essential that one should recognize this “Psychological Moment,” else the results of all previous efforts will prove a total loss, with no salvage. The refinements of preliminary procedure and the nicety of discernment when this crucial period comes have been minutely analyzed. It is all very easy—simply follow directions.

It is a rare occurrence when we find the elements of psychology applied in a practical manner to the salesmanship of life insurance. Generally, theories advanced are too abstruse for popular consumption, and not infrequently we are compelled to delve into a mass of esoteric philosophy which is good perhaps for the man who has the time and the peculiar mental training necessary to its assimilation, but of little meaning to the every-day man of affairs. Forbes Lindsay, who is associated with National Vice-President Russell, is one conspicuous exception to the rule. Mr. Lindsay has succeeded in welding together the fundamentals of mental science and life insurance salesmanship in a manner which is eminently practical and easily understood.

Unfortunately, however, there are few Lindsays. In perusing some of the literature which is the subject of these remarks we have a mental picture of an extremely ludicrous situation which must take place frequently. Imagine an agent with a strong personality, intensely in earnest over his proposition, a man who speaks straight from the shoulder and who drives home the mighty story of life insurance simply, but with tremendous force. Then psychologize him, if you

will, polish him off with Bergson and watch him coquettishly pirouetting before his prospect, anxiously waiting for the “Psychological Moment” and, by reason of his superb grace and knowledge of technique, forgetting the story he came to tell.

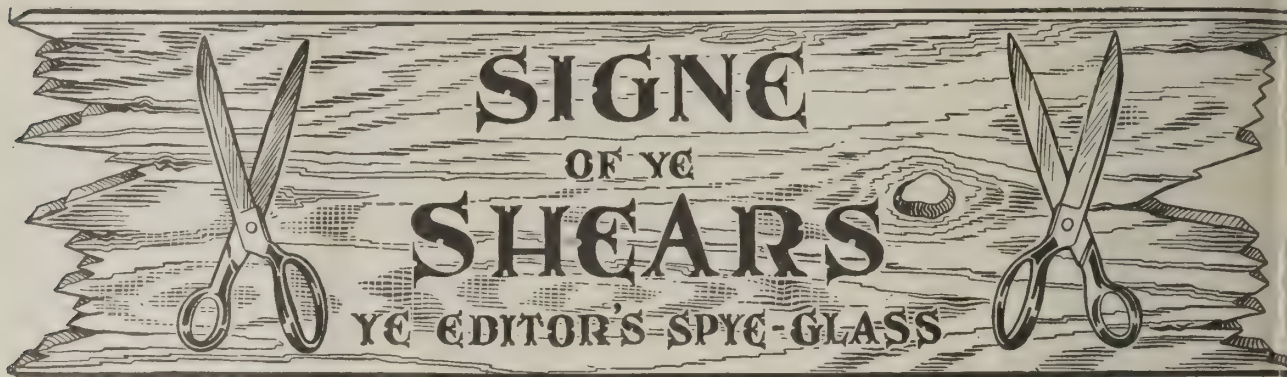
In support of our contentions, we commend to our readers an article appearing elsewhere in this number, written by Eugene B. Stinde, of St. Louis. Mr. Stinde sounds the “Back to Fundamentals” call in this manner:

I am plain-spoken; I am in dead earnest; I never get away from fundamentals; I am not embarrassed by perplexities; I state the undeniable, incontrovertible, self-evident facts, and rest my case on them, knowing that they will bear fruit in due season. In this day of infinite maneuvering and jockeying, the most original method of approach in the selling of life insurance is the plain presentation of the merits of the proposition.

So while the principles of psychology may be applied with success, discretion should be used, and on general principles we believe in homeopathic doses. An overdose has emasculated many a good agent. Let us not forget that fundamentals are fundamental.

THE Corresponding Secretary desires to acknowledge the receipt of the following manuscripts, which have been submitted in the Prize Essay Contest:

Essay No.	051
“	“ 7-1/2
“	“ 41144
“	“ 520
“	“ 1915
“	“ 10-B
“	“ 17
“	“ R-777
“	“ 627
“	“ 803-J
“	“ 350



The Superlative Eliminated.

The man who said that every sixty seconds an individual was born inordinately credulous and gullible was the man who was responsible for an era of superlatives. P. T. Barnum started the hysteria of language raised to its tenth power, and it has just dawned upon us that business is not really interested in the occasional "sucker," but finds its most profitable field in rendering service to those people who appreciate solid worth rather than the meretricious glitter of inferior substance.

All businesses have now come to realize that it is the regular and steady customer who pays. The steady customer demands good service at a fair price, and good service and fair prices are given by those businesses which have regular customers.

The permanent success of all great concerns depends upon satisfied and persistent patrons—repeaters.

The cheap man, the would-be's, the has-been's, the never-was's, and all that horde of grafters who are ever on the lookout to secure something for nothing, are never steady and regular customers. As the moth flies to the candle, they are only attracted by the false flame of preposterous promises, astonishing assertions, and prodigious performances, all of which are supported by an avalanche of adjectives ad infinitum.

The attention of sensible, sane, and solid people is attracted by advertising literature which corresponds to their own characteristics. That is why we find a better class of people in the stores which have discarded the old styles of advertising. The higher class stores now say "Substantial Reductions," instead of "Unprecedented Bargains." Likewise "Moderate Priced" has been substituted for "Below Cost." Inflammatory adjectives and superlatives are now characteristic features of the advertising of that class of institutions which depend upon the trade of those who never come back.

With these facts in view, is it not an anomalous state of affairs to advertise the greatest institution of modern civilization by means of superlatives smacking of the clap-trap of the circus, intense verbiage with vertigo?

It is. Furthermore, it does not attract intelligent people, and only intelligent people are interested in life insurance.

However, we can truly rejoice in an announcement of an Ohio company, which, in its agency bulletin, lends support to our argument. The article reads:

During the past year one of the great transcontinental railroads discontinued advertising "the best dining cars in the world." This action was not taken because their service was in any particular inferior to others, but in recognition that other lines were also offering excellent and perhaps equal service, and that the statement might, therefore, be misleading, if not untrue.

A casual scanning of the pages of almost any current magazine will reveal that many advertisers have not yet attained the ethical standard of the Union Pacific: For "the sweetest toned" pianos may yet be had for the price; food, "the finest ever canned" is offered to tempt our appetites; the "only real non-skid tires" are recommended to owners of automobiles; while passage for foreign parts may be booked on "the fastest steamers in the world."

Life insurance companies have also vied with each other in the use of the superlative, evidence by the conflicting claims of being the "oldest," "largest," "strongest," "best," or "leading" company. Or as offering "unsurpassed service," "incomparable dividends," "maximum benefits," or the "lowest net cost." The day for this form of advertising is passing and the action of this company in eliminating comparisons with other companies is bound to win universal approbation. Space, for which the advertiser pays, can most profitably be devoted to telling his own story in the strongest, clearest manner possible, without reference to the product of any other concerns.

The European War.

What effect will the European situation have upon Life Insurance in America? While company executives are confident and reassuring in their announcements, there are two factors which, should the war be of long duration, will directly affect several of the larger companies. We refer to the possibility of a period of financial stringency in this country, which may result in an extraordinary demand for loan and surrender values; and to the fact that it is estimated that there are a million reservists within the United States, many of whom are industrial policyholders. These phases of the situation are explained by the *Western Underwriter* as follows:

The industrial companies are more interested in the movement of their foreign policyholders in the United States who are subject to recall for war duty. It is calculated that there are at least a million reservists within the United States who may return in case of need. Of these, a large percentage are probably industrial life policyholders. In the event of their return to their native countries their first arrangement is likely to be for the continuance of their life insurance premium for the protection of their families. Industrial policies not being subject to loan, the companies are not subject to financial drain from that source, but the mortality rate on returning reservists is likely to be very high.

In the event that the continuance of the war results in financial stringency in this country, the life companies will feel the effects mostly through the lapsing of policies and a tremendous demand for loan and surrender values. It is reasonable to suppose that in the event of "hard times" many policyholders will mistakenly regard their life insurance as among the unnecessary items of expense, especially among industrial policyholders. It is up to agents therefore, to spread abroad even now the doctrine of clinging tenaciously to life insurance.

As to the matter of mortality upon policyholders in Europe the statement of Darwin P. Kingsley, president of the New York Life, is enlightening, and the situation as he sees it is probably typical of the viewpoint of the executives of other companies which do business in Europe. Mr. Kingsley says:

In the matter of mortality we have no fear. Business has been done in Europe for a long time in the expectation that something like this might happen. We are protected by the premium rates charged and the conditions of the policies themselves. Moreover, there is no probability

that the actual mortality of people engaged in battle, either on land or on sea, will cause any very appreciable increase in our death claims. The civilians who have our policies are almost wholly of an age and in such positions that their liability of service is slight. The experience of life insurance companies in previous wars all confirms this.

Of course, under existing conditions, no new business whatever will be written, with the possible exception of some business in France and Great Britain. All such policies will contain a strong war clause.

A Dark Page in History.

The Twenty-fifth Annual Convention of the National Association is but a month distant and the editor has been in receipt of several communications asking what influence, if any, the European war will have upon the attendance at the convention. It is safe to say from present indications that the European situation will not militate against the number of delegates present at the meeting, although a number of prominent life underwriters are in Europe at the present time and possibly some of them may not be able to get back to America in time for the gathering.

At the beginning of every summer season there is always an exodus of life insurance men to Europe, this season being no exception. Late in the spring Warren M. Horner, chairman of the Education and Conservation Committee of the National Association, made a trip to the Continent, but returned well in advance of hostilities. Perez F. Huff, the star producer of the Union Central, located at New York City, toured Germany, but returned to New York just a few days ago. George H. Olmsted, representing the National Life of Vermont at Cleveland, was last heard of at Florence. Mr. Olmsted is accompanied by Mrs. Olmsted. It is reported that T. Louis Hansen, superintendent of agencies of the Germania Life, is almost in the heart of military activities in Germany. Mr. and Mrs. Orville Thorpe, of Dallas, Tex., are in Europe, but just where they are located it is impossible to determine. Mr. Thorpe is president of the Texas association and was a conspicuous figure at the Atlantic City convention. Darby A. Day, Chicago manager for the Mutual Life, left New York with his family on July 15 for an extensive tour of the Continent. Mr. Day's present whereabouts are unknown. John R. Hegeman, president of the Metropolitan Life, was heard from a few days ago and is stopping at the Hotel Majestic, Paris. Former National President L. Brackett Bishop recently returned from Europe, but his son, Ridgeway Bishop, decided to remain on the other side for a short time.

These men are all well known in life underwriting circles, but doubtless there are many other life insurance men in Europe who carelessly neglected to advise us of their intentions previous to sailing.

Undoubtedly the most serious consequence in connection with the European war is the fact that it has been whispered about in diplomatic circles that one of the National Association's most prominent members, a man held in high esteem throughout the country, is directly responsible for the Armageddon.

Charles Jerome Edwards is the man. Rumors afloat are conflicting, fragmentary and vague, but it can truthfully be said that just about a year ago Mr. Edwards made a mysterious trip to Serbia, Bosnia, Herzegovina, and Montenegro. We have positive, even documentary, evidence to the effect that Mr. Edwards was in Cetinje, the capital of Montenegro, last August. We know that he had several conferences with the King of that country. Indeed, that gentleman's trip to Europe was so important that he arrived in America just one day previous to the Atlantic City convention. Those who observed Mr. Edwards at the convention were convinced that he had something on his mind and he was seen on several occasions talking to men of sinister mien and foreign appearance.

To make matters worse, when Austria-Hungary declared war against Serbia, Mr. Edwards suddenly disappeared. The Editor has repeatedly endeavored to ascertain his whereabouts,

but with absolutely no success. His assistant manager was interviewed and, while this young man showed signs of the strain under which he was laboring, no accurate information was vouchsafed. The only clue to be obtained was the fragment of a note from Mr. Edwards upon which was scribbled, "Will let you know where I am, some time—maybe." These words alone instantly suggest the circuitous methods of a conspirator.

At his favorite club, the Aero Club of America, nothing could be learned, but the secretary of the club was deeply concerned and acknowledged that the circumstances in connection with the matter were of the gravest importance. "We are all up in the air about it here," said he.

This comes as a tremendous shock to the many friends of the gentleman in question. It was learned from a reliable source that Mr. Edwards was tactfully approached and accused of pulling wires which precipitated the bloody conflict. His reply to the charges was, it is said, as follows: "I am a man of few words. It is false. When it comes to peace, Andrew Carnegie has nothing on me. Arguments, disputes, and controversies I abhor. Why, then, should I be held responsible for the European war?" This characteristic statement, coupled with his modest and retiring disposition, is difficult to reconcile with the known facts of the case. However, we have felt it our duty to advise the world of the situation; in fact, in justice to humanity at large, we could keep silent no longer. Thus, for the benefit of the press, the public, and posterity, we have illuminated one of the dark pages of history.

Doing Things in Chicago.

Edward A. Ferguson, president of the Chicago association, must be SOME man. We all know the type of man who habitually gets swamped in the meshes of his own arguments. The world is full of such people. Every time they open their mouth they put their foot in it. Clarity of vision has been denied them.

Such a man Edward A. Ferguson is not. He possesses the ability, rarely found, of making clean, decisive cuts to the core of any matter demanding his attention. There is no beating round the bush, and with him a spade is not a aeroplane. He has the ability to make words count and every sentence represents an actual thought.

Ever since the National Association became interested in the Education and Conservation movement there has been considerable misunderstanding in various quarters as to the practical benefits which would accrue from the proposed institutional advertising campaign. Mr. Ferguson, however, sums up the situation in a few words and clearly explains just what the propaganda means in a letter which he has just sent out to the members of the Chicago association. This letter, which should be regarded as a model for other associations, follows:

Your profession is the "best paid hard work in the world." No one denies it is *hard work*. That is why the pay is good.

Every sale you make is a fight between you on one side and *prejudice, ignorance and selfishness* on the other. That's what makes it hard work.

We are going to make it easier for you and every other insurance man who is broad enough to realize an opportunity and seize it. We are going to print some plain facts, that will put *your enemies—prejudice and ignorance*—in the discard where they belong. Life insurance sells itself to the *man who knows*.

If we increase your production only a single thousand and we put \$15 (average) into your pocket. Isn't that right?

An advertising fund of several thousand dollars is to be scientifically applied right here in Chicago to help you increase your income. Your association is going to be recognized by the public as a power. Your contribution will be small. The combined contributions will be large and the results to you personally will be great.

You, as a contributor to this fund, will be able to show *credentials* just as a lawyer who belongs to the Bar Association can show credentials.

Chicago has always led in every *progressive* movement. We are trailing a little now, but we will soon be up head again.

Fill in the spaces on the enclosed sheet and mail it now. We want to get busy.

Mathematical Spissitude.

It was not so very many years ago that the grey matter of America was in convulsions in a popular and universal endeavor to ascertain the age of Ann. Like many of the gentler sex, Ann was shy when the question of age was concerned; the clue she gave was vague, though the answer was not impossible of solution.

The question, "How old is Ann?" furnished mental exercise, provided amusement and withal served a good purpose. It demonstrated, among other things, that the ordinary individual pays too little attention to one of the three R's—simple arithmetic.

The *Saturday Evening Post* in an editorial tells of a woman who had a recipe which told what quantities of certain ingredients were necessary to produce ten gallons of spraying mixture. Ten gallons, however, were more than she needed, and after a laborious calculation she announced that two-thirds of three-fourths would serve the purpose. The three men present had reached middle life and, having been successful, any one of them would resent an implication that he was uneducated. They in turn wrestled with the problem with the result that one of the three, after a painful interval of considerable duration, sententiously declared that if two-thirds were reducible to a decimal he could answer the question.

The *Saturday Evening Post* uses the story to point out where the schools fail by trying to teach too many subjects. The woman and the men had undoubtedly been taught how to find two-thirds of three-fourths, but had forgotten the method.

The foregoing should be viewed in the light of an explanation and—alas, an apology. The editor is embarrassed, for he finds that he belongs to the genus *Boobus Mathematica Magnificata*. The fact that he is one of a large family does not assuage the pain and grief of the revelation. Thus did Charles W. Scovel, former president of the National Association, make sackcloth and ashes imperative.

PITTSBURGH, Pa., July 25, 1914.

Dear Ensign:—July number is another ten-strike—all but the first and biggest head. As Lord High Historian, I am deeply pained. The News hunts out its biggest type to announce the "Twenty-fifth Anniversary of the Birth." Problem in subtraction:

1914
1890

25 ?? Q. E. D.

I am confirmed in my opinion that the common schools are sadly neglecting the three R's among all their new-fangled, fancy courses. Prithee, kill and destroy and utterly annihilate this historical and mathematical solecism, whenever and wherever it may again rear its insidious head. Yours sorrowfully, C. W. S.

What more can be said? We are humbled to the dust. Yet Cicero said, "Any man may make a mistake, but none but a fool will continue in it."

So, while Scovel's bitter remarks are just and well deserved, we have made a firm resolve to profit by the observation of Cicero.

Unfair Competition.

There is an interesting case which is now going the rounds of the various insurance journals. It seems that in the latter part of June a hearing was heard at the office of the Colorado Insurance Department as a result of a complaint filed by a company on the Pacific Coast against two agents of an Eastern company. The complaint charged these representatives

with the preparation and use of a piece of literature which was vicious in the extreme, contained false statements by implication and, moreover, was full of half truths from beginning to end, from which the most damaging inferences could be drawn. It was also alleged that the preparation and use of the literature was in direct violation of Section 78 of the Insurance Laws of Colorado, which imposes a penalty for defamation of rival companies by publishing, distributing, circulating any pamphlet, circular, article, literature, or statement of any kind which is defamatory of any other insurance company doing business in the State.

Commissioner Epstein took the matter into consideration and decided upon the charges from four standpoints:

1. Issues of fact.
2. Issues of law.
3. Issues of ethics.
4. The penalty.

He said, in part, to the officers of the company which made the charges:

As regards numbers 1, 2 and 3, I hold that you have maintained your position and have substantiated your allegations. As regards number 4, it seems to me that the penalty which you asked (a brief suspension of one agent and the permanent revocation of the license of the other agent) is too severe. In asking for this, you did not take into consideration the previous good character and good standing of the defendants. I take it that your motive was to vindicate the good name of your company and that you are not seeking revenge.

Accordingly, Commissioner Epstein reprimanded one of the agents and suspended the license of the other agent for one month.

While the charges were substantiated, the penalties were not as severe as that which was requested. However, the time will be welcome when a law similar to that existing in Colorado appears on the statutes of every State. We are living in an age when fair and clean-minded men believe in the conduct of business on an upright and honorable basis and surely the great business of life insurance should not be made an exception. By all means let us have competition, but at the same time let it be conducted on the basis of honor and decency. Above all, let us not attack the methods or integrity of other reputable companies, but let us sell our goods strictly on their own merits.

The Mutual Reserve Life Insurance Co.

Occasionally we receive inquiries from subscribers, replies to which would be of interest to a considerable number of our readers. We do not regard the following as being of any great value to an experienced life insurance agent, as the circumstances in connection with the Mutual Reserve are familiar facts to agents of experience. However, it is quite probable that there are a number of new agents to whom the communication and answer will not be amiss from an educational standpoint.

LOWELL, Mass.

LIFE ASSOCIATION NEWS.

Gentlemen:—Can you furnish me with any information about the Mutual Reserve Fund Life Association of New York, corner Broadway and Duane streets? Are they now doing business? What is their standing, etc.? And oblige. Yours truly.

Our reply follows:

The Mutual Reserve Life Insurance Company was organized in 1881 under the name of the Mutual Reserve Fund Life Association. It was purely an assessment society, but collected notes considerably larger than the ordinary assessment association of that day—large enough to accumulate a considerable emergency fund. It did business on that plan for about twenty years. After twelve or fifteen years of experience, trouble began. The business had been recklessly selected to begin with, and the rates were inadequate under any conditions. The mortality

was becoming excessive, and death claims were accumulating. The management resorted to all manner of deceptive methods in securing business and were very dilatory in payment of claims.

Along in 1900, or a little before, it became apparent, even to casual observers, that it was nearing the final end. In desperation the management resorted to every deceptive practise known to the business in the way of securing new members, reinsuring other decadent concerns of the kind, etc.

However, things grew steadily worse and in 1901 the association was reorganized as a legal reserve company. That is, it undertook to write legal reserve policies, carrying its old assessment business on the original plan. The expedient was futile, for its fate was sealed. It continued, however, to write legal reserve policies for five or six years and then went into the hands of receivers. In the liquidation of its affairs, it was found that the funds on hand were insufficient to pay more than a small fraction of the accumulated death claims. No living policyholder received anything whatever. Arrangements were made with the Postal Life for the reinsurance of the few legal reserve policies on its books, while the assessment policies were taken over by the American Temperance Life Association—an assessment organization existing mainly for the purpose of the reinsurance of other concerns of the kind. It is several years since the affairs of the Mutual Reserve were finally closed up and the receivers discharged.

"THE TAXATION OF LIFE INSURANCE POLICY-HOLDERS."

A Booklet of Twenty-four Pages Dealing with
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EIGHTH ANNUAL CONVENTION OF THE LIFE UNDERWRITERS' ASSOCIATION OF CANADA.

Committee Appointed to Negotiate for the Purchase of
"Office and Field" as an Official Organ.—Toronto
Wins 1915 Convention.

The first session of the Eighth Annual Convention of the Life Underwriters Association of Canada was held in the Technical College, Halifax, on Tuesday, July 28, with about 100 delegates present. J. B. Morissette, president of the association, occupied the chair. After several addresses of welcome, George E. Williams, chairman of the Executive Committee, delivered his report. Had it not been for the recommendation to purchase *Office and Field*, the report would have been adopted, but as there seemed to be some doubt as to the financial ability of the association in this particular, it was decided to table the report for further discussion on the afternoon of the following day. An interesting feature of the morning session was a discussion on "Licensing of Agents." Mr. Andrews, of the Imperial Life at Winnipeg, moved the adoption of the following resolution: "That, as an association, we approve of licensing of agents under proper fees and supervision." There were various objections to this resolution, and several amendments were suggested. The amendments, however, were eventually withdrawn and Mr. Andrews' motion was carried unanimously.

At the afternoon session C. H. Carpenter, of the Great West Life of Toronto, was scheduled to read a paper on "Procuring and Developing Agents," but was unable to be present, and J. A. Johnson read the paper for him.

Many valuable points were brought out in a discussion of the treatment of difficulties in local associations, and H. R. McIsaac delivered a paper on "Best Closing Arguments." Hon. Justice B. Russell, of Halifax, delivered an address on "Bequeathing Our Debts."

W. Lyle Reid presented the association cup to St. Catharines' association for the largest increase in membership during the year, the increase being 180 per cent. The cup was received on behalf of St. Catharines by Mr. McAvoy, of the Confederation Life.

At 4:15 delegates present were treated to a cruise around the harbor, and dinner was served on board. Afterward the party visited the Waegwoltic Club, where there was a band concert by the Royal Canadian Band. President McCurdy, of the Halifax Board of Trade, was a guest of honor and was a principal speaker.

At the morning session Wednesday the Nominating Committee presented its report. They recommended the following members for election, and the report was unanimously adopted.

President—A. J. Meiklejohn (Confederation), Ottawa.
Vice-Presidents—Nova Scotia, Prince Edward Island, and New Brunswick—A. J. Dove (Equitable, United States, Halifax).
Ontario and Quebec—T. Hendry (Sun Life, Brantford).
Manitoba and Saskatchewan—H. B. Andrews (Imperial Life, Winnipeg).
Alberta and British Columbia—J. A. Johnson (Great West, Vancouver); also E. J. Clark, president of the National Association of Life Underwriters of the United States.
Secretary—W. Lyle Reid (Sun Life, Ottawa).
Treasurer—F. T. Stanford (Imperial Life, Toronto).
Representative in the National Association—J. A. Tory (Sun Life, Toronto).

After a discussion of the "Ethics of Competition," Ernest J. Clark, president of the National Association, was introduced and delivered an address on "Service to Policyholders." Dr. Stanley McKenzie, principal of Dalhousie University, spoke on "Life Insurance and Humanity." Following this there was a debate on "Life Insurance Taxation." Among those who participated in the discussion were George E. Williams, J. A. Tory, H. H. Kay, T. B. Macaulay, W. A. P. Wood, Robert

Lynn Cox, general counsel and manager of the Association of Life Insurance Presidents; National President Ernest J. Clark and J. A. Johnson.

It was moved by George E. Williams, and carried, that a legislative committee be appointed to deal with the question and to devise ways and means to carry out a program of opposition to taxation.

At the afternoon session the report of the Executive Committee was given consideration. Various opinions were expressed as to the advisability of negotiating for the purchase of *Office and Field* as an official organ, and it was finally decided that a committee, composed of Messrs. Stanford Meiklejohn, J. A. Tory and W. Lyle Reid, be appointed to negotiate with the executors of the late W. B. Campbell for the purchase of *Office and Field* and to report the results of their negotiations to the Executive Committee, which was empowered to decide the question.

J. A. Johnson, of Vancouver, opened a debate on the question of "Should Part Time Men Be Eliminated?" and this discussion closed the afternoon session.

The banquet was held in the evening at the Halifax Hotel. Among the guests of honor were Mrs. Florence E. Shaal, of Boston; W. C. MacDonald, managing director of the Confederation Life; T. B. Macaulay, managing director of the Sun Life; J. F. Weston, manager of the Imperial Life, and Mr. Featherstone, of the Policyholders Mutual.

At the Thursday morning session it was announced that Mr. Armstrong, of the Imperial Life of Toronto, had won the cup in the prize essay contest. W. Lyle Reid then opened a debate on the subject of "Commission Contracts and Pensions," after which the matter of "Annual Quinquennial or Deferred Dividends" was taken up.

A period was then devoted for the consideration of the question "How Financial Depression Affects Business," after which E. E. Rittenhouse, president of the Life Extension Institute, delivered an address on "The Dollar and the Mortality Rate."

Resolutions of sympathy were sent to the families of the late Senator Cox, E. W. Cox, George A. Somerville and W. P. Campbell.

There was a warm controversy as to the place in which to hold the 1915 convention, but when the matter was left to vote Toronto won over Vancouver.

HAVE YOU APPLIED FOR HOTEL ACCOMODATIONS AT CIN- CINNATI?

If not, do so at once. The benches in Cincinnati are hard and you are not accustomed to sleeping that way.

Write at once to **MILLARD W. MACK, TRACTION BUILDING, CINCINNATI.**

THE ETERNAL QUESTION.

**How Shall I Close a Prospect Who Keeps Putting Me Off?
While There Is No One Method to Fit All Cases, a
Knowledge of Underlying General Principles
Is Helpful.**

*By Forbes Lindsay, Associate Manager of the Home Office Agency,
Pacific Mutual Life Insurance Company, Los Angeles, Cal.*

It would be difficult to say how many times I am asked: "How shall I close a prospect who keeps putting me off?"

This is the eternal question in our work. There is no specific answer. Each case presents its particular problem and calls for peculiar treatment. There are a thousand and one ways of bringing procrastinating prospects to the point, but no method that will fit all cases.

I have frequently seen the statement in print that the most difficult part of the life insurance agent's work and that which consumes the largest proportion of his time and effort is this endeavor to secure the signature of reluctant prospects.

There is a confusion of ideas here due to failure to get at the root of the matter. I believe that for the most part the difficulty and waste of energy are attributable to the common tendency of agents to mistake suspects for prospects. Most men in our business spend a great deal of time in barking up trees that have no 'possum in them.

Few of us can solve the conundrum: "When is a prospect not a prospect?" We don't seem to be able to distinguish pay dirt from dump. We spend days and weeks in working material that won't assay nine cents to the ton even if we get it out.

A highly successful financier has said that one of the most valuable faculties in business life is that of knowing when to pocket a loss. It is a lesson that we would do well to learn. Once we have started to work on a supposed prospect we don't appear to be able to drop him. Some of us have our lists laden with deadwood which impedes our progress just as barnacles do that of a ship.

The intuitive sense that almost instantly gauges a man's value as a prospect is given to a fortunate few. All of us may acquire it in a greater or less degree by cultivation. But even without possessing it there are methods by which we may protect ourselves against excessive waste in this connection.

Before suggesting the practise which I have in many years of experience found profitable, let me impress a preliminary thought upon you. In the majority of instances the first time that you make a complete statement of your proposition, your opportunity for closing is the best that you will ever have. As a rule, your prospect becomes less susceptible to your influence with every succeeding effort.

"If that is the case," you say, "how does it happen that I seldom close on the first interview and more often on the fourth or fifth than on the second?" The answer is: Because you seldom, if ever, attempt to close on the first interview. You pass over your best opportunity without a thought of availing yourself of it. By the time you put forth a serious effort the situation has become difficult and with the increase of the difficulty you increase your effort. When ultimately you close your man after three or four attempts it is at the expense of twice as much labor and energy as would have been necessary to the accomplishment of the object on the first or second interview.

This is a sufficient reason, without considering the saving of time, for forming the habit of endeavoring to close on the first favorable interview. If on that occasion you have said all that you have to say and have given your prospect the chance of saying anything that he may desire, there can be no logical reason for not closing.

On this assumption I have long based the following practise: Provided that I have fully stated my proposition, I will not call upon a man more than twice unless he can give me a satisfactory reason for doing so. If I can't make a hole with a gimlet, I haven't time to make it with a hammer.

It is possible that this method may result in the loss of some cases that might be closed by persistence, but we must remember that the difficult case will not net more commission ordinarily than the easier one. The best method is that which will produce the greatest results, and I am convinced that the time we spend in trying to overcome mere obstinacy and procrastination might better be employed on less obdurate cases. To revert to the point from which we started. I think that it is beyond question that a large proportion of our supposed prospects are not prospects in fact and that the waste involved in working hopeless cases is the greatest loss in our business.

Benefits of the Convention

In three days you will get the beneficial experience of successful men who have been in the insurance profession for years. The most prominent men in the Life Insurance world will attend the convention, and you will have an opportunity of hearing new arguments and new plans that have been used with success, and coming in touch with the leaders of the profession you will more than ever be impressed with the strong personality and the high ideals of the men engaged in Life Insurance.

The Convention will prove to be the best investment of time and money that you have ever made, because you will return home a bigger insurance writer, a more successful agent and a better association man, with a larger conception of your profession.

Come to the Convention. Give the Association the benefit of your ideas and you will take back many more in return.

All Association men will be welcome whether or not they are delegates or alternates.

Remember the dates—September 15th, 16th and 17th.

Apply for your hotel reservation NOW.

HEAVY HOTEL RESERVATIONS BEING MADE FOR THE CINCINNATI CONVENTION.

(Continued from page 2.)

Benefit; John W. Clark, Jr., Equitable; William B. Phelps, Travelers; O. F. Burkhardt, Connecticut Mutual; William J. Powers, John Hancock; Clarence Schram, Metropolitan; Jesse Barnet, Mutual Life; M. F. Walsh, Pittsburgh Life and Trust; Chester B. Maggs, Metropolitan.

Capital District.

Alternates—A. B. Mallory, Connecticut Mutual; C. C. De Rouville, Penn Mutual; C. R. Tripp, Fidelity Mutual; T. J. O'Brien, New York Life; W. A. Baker, Jr., Massachusetts Mutual; E. L. Post, Prudential; L. C. Vanderhyden, Penn Mutual; G. L. Buck, Provident Life and Trust; Fred S. Wagner, Prudential; William G. Ostler, Northwestern Mutual; Edward F. Cotter, Jr., Mutual Life.

Central Pennsylvania.

Delegates—John Heathcote, Metropolitan; J. Ralph Morrison, Phoenix Mutual; Albert A. Wert, New England Mutual; W. S. Herr, New York Life; S. M. Boyer, Mutual Life.

Alternates—W. S. Wambaugh, Mutual Life; T. J. Harnish, New York Life; W. H. Cordry, Massachusetts Mutual; W. F. Carey, New England Mutual; J. C. Johnson, Equitable of Iowa.

Chattanooga.

Delegates—Capt. W. C. Biese, Prudential; A. J. Teter, Security Mutual; C. H. Royalty, Union Central; Paul W. Shepherd, Home Life; F. C. Thompson, National Life; J. W. Bishop, Volunteer State Life.

Alternates—J. J. Cohn, Volunteer State Life; J. R. Mayberry, Equitable Life; C. H. Crimm, Union Central; S. A. Whittle, Meridian Life; A. S. Glover, Northwestern.

Chicago.

Delegates—Fred B. Mason, Aetna; Robert F. Palmer, Berkshire; Joseph Loebe, Berkshire; Dr. H. C. Castor, Connecticut General; Samuel T. Chase, Connecticut Mutual; William B. Carlile, Equitable of New York; Miss Sara F. Jones, Equitable of New York; Charles S. Rannels, Federal; Alex. V. Weil, Fidelity Mutual; George R. McLeran, Home Life; Lawrence H. Whiting, Illinois Life; L. Brackett Bishop, Massachusetts Mutual; P. J. Kraus, Metropolitan; Harry D. Wright, Metropolitan; Darby A. Day, Mutual of New York; R. E. Spaulding, Mutual of New York; George Pick, Mutual Benefit; Alfred MacArthur, National Life of U. S. A.; D. J. Drake, National Life of Vermont; Frank E. Jones, New England Mutual; J. H. Meyer, New England Mutual; J. Frank Johantgen, New York Life; J. F. Oates, Northwestern Mutual; Charles E. Axelson, Northwestern Mutual; Jules Girardin, Phoenix Mutual; J. W. Jannay, Provident Life and Trust; George M. Herrick, Provident Life and Trust; A. X. Schmitt, Prudential; E. H. Carmack, State Mutual; H. E. Tank, Travelers; Byron C. Howes, Union Mutual; E. A. Ferguson, Union Central; M. Ullmann, Union Central; J. B. Thorsen, broker.

Alternates—Max Lindauer, Connecticut Mutual; B. J. Sinai, Equitable of New York; Mrs. M. E. Alexander, Equitable of New York; Isaac M. Hamilton, Federal Life; Raymond W. Stevens, Illinois Life; John Thrash, Massachusetts Mutual; J. R. McFee, Massachusetts Mutual; F. T. Platka, Metropolitan; J. Mills, Metropolitan; Emil Reif, Metropolitan; Frank H. Merrill, Mutual of New York; C. L. Coyner, Mutual of New York; Charles B. Stumes, Mutual Benefit; J. R. Norris, National Life of U. S. A.; E. S. Miller, National Life of U. S. A.; A. L. Saltzstein, New England Mutual; W. E. Nichols, New York Life; A. C. Oldenberg, New York Life; Benjamin Bevan, Northwestern Mutual; H. C. Coffeen, Northwestern Mutual; Edwin Austrian, Northwestern Mutual; C. J. McCary, Penn Mutual; J. S. Kendall, Prudential; Dr. Albert E. Awde, Union Mutual; H. S. Standish, Union Central; H. K. Allen, Union Central; A. J. Casey, Indianapolis Life; J. W. Jackson, Pacific Mutual; A. J. Reed, United States Life;

J. T. Burford, Illinois Life; F. R. Waddell, the press; C. M. Cartwright, the press.

Cincinnati.

Delegates—W. A. R. Bruehl, Home Life; A. R. DeLeon, Equitable; J. S. Drewry, Mutual Benefit; S. P. Ellis, Provident Life and Trust; E. R. Ferguson, Mutual Life; C. J. Iredell, Penn Mutual; J. M. Johnson, Equitable of Iowa; J. W. Kirgan, Fidelity Mutual; A. F. Sommer, Metropolitan; Charles J. Stern, Union Central; Samuel Straus, Northwestern Mutual.

Alternates—B. W. Bassford, John Hancock; Edw. Bernard, Royal Union Mutual; Mark Davis, Canada Life; William M. Dunbar, New England Mutual; H. W. Hutchins, National Life of U. S. A.; J. D. Jewell, Union Central; William Klusmeier, Prudential; Noah Morgan, Western and Southern; H. T. Saunders, Connecticut Mutual; Frank H. Simpson, Mutual Benefit; Franklin J. White, Berkshire Life.

Cleveland.

Delegates—Herman Moss, Equitable; W. H. Whitney, Phoenix Mutual; Herman Fellingner, Pacific Mutual; H. D. Koblitz, Pacific Mutual; J. M. Mackintosh, Prudential; George Olmsted, National Life of Vermont; H. W. Gale, Home Life; J. W. Picard, Mutual Benefit; J. J. Jackson, Aetna; Joseph Grossman, State Mutual; C. W. Comstock, Penn Mutual; O. W. Carpenter, Union Central.

Alternates—A. D. Hatfield, Penn Mutual; H. F. McNutt, New England Mutual; Henry Frankel; S. S. Saffold, Provident Life and Trust; E. T. Bush, Mutual Life; E. B. Hamlin, National Life of Vermont; F. D. Shook, Penn Mutual; H. H. Hoard, State Life of Indiana; W. A. Davis, John Hancock; R. A. Tuttle, Midland Mutual; A. B. Williams, Prudential; S. R. Johnson, Pacific Mutual.

Columbus.

Delegates—E. B. Gerlach, Equitable; W. E. Hoyer, John Hancock; J. W. Stone, Equitable of Iowa; H. H. Baker, Mutual of New York; H. H. Steiner, Equitable; Lot Brown, Union Central; R. L. Lewis, Connecticut General; R. R. Rhoads, Northwestern.

Alternates—F. Bernstein, Metropolitan; M. D. Donham, National Life of Vermont; G. A. Ferguson, Columbus Mutual; C. C. Hills, Mutual Benefit; A. W. Kemery, Prudential; Fritz Lichtenberg, Massachusetts Mutual; Albert Speaks, New England Mutual; E. P. Tice, Midland Mutual.

Connecticut.

Delegates—Harry H. Anderson, Mutual Benefit; F. S. Benninghoff, Metropolitan; R. O. Dunkum, Metropolitan; A. J. Edgar, Metropolitan; Dwight G. Holbrook, Mutual Life; James B. Moody, Jr., New England Mutual; Lee C. Robens, New England Mutual; Winslow Russell, Phoenix Mutual; E. C. Tryon, Mutual Life; Eli D. Weeks, Phoenix Mutual.

Alternates—F. W. Allen, New England Mutual; H. G. Baldwin, State Mutual; D. F. Buckley, Metropolitan; O. W. Fuller, Mutual Life; Geo. W. Greene, Mutual Benefit; Thomas W. Russell, Connecticut General; Carl H. Secoy, Phoenix Mutual; Geo. W. Staples, New York Life; O. E. Stockder, Provident Life and Trust; Oliver M. Thurman, Phoenix Mutual.

Des Moines.

Delegates—C. N. Anderson, New England Mutual; C. L. Lunt, Central Life; George N. Hughes, Aetna; J. A. Blum, Equitable of New York; M. M. Demming, Kansas City Life.

Alternates—F. C. Stribble, Metropolitan; Charles E. Miller, Pacific Mutual; B. N. Waller, Northwestern Mutual; J. C. Clapp, Prudential; Claude Fisher, Connecticut Mutual.

District of Columbia.

Delegates—C. W. Huske, Northwestern Mutual; Holcombe G. Johnson, Continental; James Lee Bost, Home Life; T. A. Weedon, Berkshire; Orville B. Drown, Massachusetts Mutual.

Alternates—John M. Cherry, Connecticut Mutual; W. D.

Cronkite, John Hancock; E. S. Brashears, Union Central; G. E. Dunkum, Metropolitan; G. G. Reiniger, Northwestern Mutual.

Duluth.

Delegates—Charles D. Oreckovsky, Equitable of New York; W. L. Smithies, Metropolitan.

Alternates—Arthur C. Hoene, Northwestern Mutual; Richard Keown, Prudential; C. H. Giddings, John Hancock.

Erie.

Delegates—John F. Brown, Penn Mutual; R. H. Howell, Mutual Benefit; G. P. Cole, Metropolitan; F. W. Shanbacher, Fidelity Mutual; James M. Dickey, Mutual Life.

Alternates—Edward A. Woods, Equitable; C. H. Bambaugh, Prudential; V. W. Doolittle, Phoenix Mutual; R. R. Brooks, Mutual Life; R. W. Hughes, Northwestern Mutual.

Fort Dodge.

Delegates—Burton H. Saxton, Connecticut Mutual; M. V. Keith, Register Life of Iowa; Howard J. Bream, New England Mutual; David L. Smith, Central Life of Iowa; Carl Peterson, Scandia Life.

Alternate—A. E. Wilder, Equitable of New York.

Georgia.

Delegates—R. F. Shedden, Mutual Life of New York; Thomas H. Daniel, Union Central; William F. Upshaw, Aetna; J. H. Byrley, Fidelity Mutual; Paul H. Dobbins, National Life of Vermont; Hugh M. Willet, Penn Mutual.

Alternates—F. W. Burr, Equitable Life; Alfred C. Newell, Columbian National; J. C. Tumlin, Illinois Life; W. E. Hawkins, Aetna; R. N. R. Bardwell, Germania; R. L. Foreman, Mutual Benefit.

Jacksonville.

Delegates—Tracy L. Acosta, Penn Mutual; Willard Lusk, Union Central; David Leon, Germania; George C. Perkins, Mutual Life; George E. Spehard, Home Life.

Alternates—Charles L. Paul, Massachusetts Mutual; M. Graham Darby, Mutual Benefit; Milton Bacon, New York Life; J. A. Rudolph, Reliance Life; Nat F. Jackson, American National.

Little Rock.

Delegates—C. M. Price, Union Central; C. R. Ledbetter, Sid B. Redding, Penn Mutual.

Alternates—R. H. Rimmel, Mutual Life; R. C. Bright, Fidelity Mutual.

Los Angeles.

Delegates—F. E. McMullen, Massachusetts Mutual; John W. Whittington, National Life of U. S. A.; Lex B. Benjamin, Equitable; Geo. A. Rathbun, Equitable; A. P. Chipron, Equitable; Cecil Frankel, Equitable; E. G. Durnerin, Equitable; B. P. Rouse, Mutual Benefit; W. C. Shaw, Metropolitan; J. N. Russell, Jr., Pacific Mutual; C. I. D. Moore, Pacific Mutual; Walter R. Hoefflin, Connecticut Mutual; W. B. Stirdivan, Phoenix Mutual; C. D. Pollack, Massachusetts Mutual.

Alternate—W. O. McConnell, Equitable.

Louisiana.

Delegates—W. J. Hannon, Mutual Life; Walter R. Harris, Massachusetts Mutual; Frank L. Levy, Equitable; D. Ros Metzger, Metropolitan; E. G. Simmons, Pan-American; James W. Smither, Union Central; T. P. Thompson, Equitable Life; Wilson Williams, New England Mutual; W. E. Millsaps, New York Life.

Alternates—C. D. Corey, Pan-American; Robert G. Crum, Germania; H. L. Garic, New England Mutual; J. M. Goldsmith, Prudential; J. H. LaVance, New York Life; E. S. Maunsell, Mutual Life; John H. Stubbs, American National; C. C. Swayze, Penn Mutual; J. L. Wright, Pan-American.

Maine.

Delegates—Ernest E. Decker, Connecticut Mutual; Sylvia B. Phillips, Union Mutual; W. E. Whittemore, Union Central.

tral; J. Putnam Stevens, Massachusetts Mutual; Charles A. Bradley, Metropolitan; George S. Ellis, Phoenix Mutual.

Alternates—M. H. Neale, New York Life; Ira S. Sawyer, New England Mutual; C. A. Lacroix, Home Life; E. C. Tracy, Metropolitan; F. A. Genthner, New England Mutual; Deane S. Thomas, Provident Life and Trust.

Eastern Maine.

Delegates—M. H. French, Mutual Benefit; J. T. Taylor, Penn Mutual; F. L. Ryan, Connecticut Mutual; L. Rooney, Metropolitan Life; Leon F. Higgins, Travelers.

Alternates—H. W. Bowles, Massachusetts Mutual; L. B. Jordan, Mutual of New York; C. R. Dunton, Northwestern; J. D. Murphy, Northwestern; F. M. Sampson, Metropolitan.

Central Massachusetts.

Delegates—Edward A. Robertson, Metropolitan; Henry A. Macgowan, Mutual Benefit; Benjamin B. Snow, State Mutual; Charles H. Sagar, Northwestern; Edwin P. Crierie, Massachusetts Mutual.

Alternates—Otis D. Arnold, Mutual Benefit; Eli Bouchard, Equitable; Patrick J. Brown, Metropolitan; Dana M. Dustan, Connecticut Mutual; Wm. J. S. Hogg, New England Mutual.

Western Massachusetts.

Delegates—Frederic H. Fuller, Equitable; Harry Chittim, Mutual of New York; W. P. Draper, Northwestern; T. E. Trombley, Mutual Benefit; E. H. Parmalee, Metropolitan.

Alternates—E. B. Ranshousen, State Mutual; H. S. Waldron, Mutual Life; A. B. Franklin, Jr., New England Mutual; E. M. Allis, Massachusetts Mutual; J. G. Schwenger, Metropolitan.

Minneapolis.

Delegates—G. J. Carlson, Metropolitan; J. E. Meyers, Aetna; Warren M. Horner, Provident Life and Trust; B. E. Ellis, Phoenix Mutual; Geo. T. Blandford, Mutual Benefit; I. Kaufmann, Northwestern Mutual.

Alternates—A. M. Packer, Connecticut General; Miss Annie Kirkwood, Mutual Benefit; J. A. Blond, Provident Life and Trust; J. W. Oliver, Aetna; E. H. Keating, Equitable of New York; Lorin Hord, Home Life.

Montgomery.

Delegates—E. J. Meyer, Massachusetts Mutual; W. B. Folmar, Franklin Life; E. G. Branch, Penn Mutual; B. J. Weil, Travelers; J. B. Ellis, Fidelity Mutual.

Alternates—Floyd B. Powell, Phoenix Mutual; D. A. Holloway, Mutual Life; J. W. Terry, Prudential; J. L. Harris, Mutual Life.

Nashville.

Delegates—C. C. Dabney, Union Central; D. D. Dickson, Union Central; W. B. Connell, Penn Mutual; H. B. Alexander, Aetna Life; W. L. Miller, Northwestern Mutual.

Alternates—Edward Hanks, Equitable of New York; M. B. Leavell, Equitable of New York; M. E. Ridley, Southern Insurance Co.; R. A. Henry, Reserve Loan and Life; R. C. Webster, Prudential.

Nebraska.

Delegates—C. E. Ady, broker; J. V. Starrett, National Life of Vermont; Tom S. Kelly, Travelers; C. H. Johnson, Germania.

Alternates—W. D. Morton, Mutual Benefit; Franklin Mann, Northwestern Mutual; W. G. Preston, Bankers' Reserve Life; J. J. Hughes, Northwestern Mutual.

New York.

Delegates—Lawrence Priddy, New York Life; R. Willis Goslin, Prudential; Walter Hubbs, Connecticut Mutual; J. R. Robbins, Home Life; Charles B. Knight, Union Central; E. W. Hester, Massachusetts Mutual; R. K. Stowe, Aetna Life; J. S. Tunmore, Provident Life and Trust; S. S. Voshell, Metropolitan; J. S. Myrick, Mutual Life; D. G. C. Sinclair, Metropolitan; Edward W. Allen, New England Mutual; Perez F. Huff, Union Central; G. A. Brinkerhoff, Mutual

Life; W. T. Daniel, Penn Mutual; F. O. Dunning, Penn Mutual; C. V. Dykeman, Prudential; Charles Jerome Edward, Equitable; T. R. Fell, Massachusetts Mutual; E. L. Hale, Equitable; R. H. Hardy, Mutual of New York; L. L. Hopkins, Travelers; George H. Parker, Connecticut Mutual; M. Reinboth, Germania; P. C. Shannon, Equitable; R. M. Simons, Home Life.

Alternates—J. D. Bookstaver, Travelers; F. H. Gregory, Northwestern; Otto S. Jung, New York Life; E. W. Lee, John Hancock; George Loesch, Manhattan; Ludwig Merklein, Germania; R. J. Mix, Prudential; W. A. Nicolay, Aetna; H. R. Reynolds, Prudential; Alex. Saunders, Northwestern; Alfred Seibert, Equitable; Thomas P. Spencer, Travelers; F. S. Staniland, Metropolitan; H. C. Stieglitz, Metropolitan; J. C. Ward, Prudential; W. E. Wilkinson, Equitable; R. C. Anderson, State Mutual; LeRoy Bowers, Mutual; B. Ganz, Equitable; M. E. Goulden, Penn Mutual; A. H. Gseller, National Life of Vermont; Sheppard Homans, Jr., Equitable; H. H. Pennock, Equitable; F. H. Rhodes, Berkshire; Charles A. Rogers, Union Central; O. S. Rogers, Phoenix Mutual.

Norfolk.

Delegates—J. R. Coupland, Union Central; J. N. Willis, Jr., Sun Life of Canada; R. E. Williams, Travelers.

North Carolina.

Delegates—R. E. Peters, New York Life; S. W. Sparger, State Mutual; E. C. McGinnis, New England Mutual; R. Y. McPherson, Penn Mutual; Tom Reynolds, Prudential Life.

Alternates—H. M. Humphrey, National Life of Vermont; J. D. Boushall, New England Mutual; W. L. O'Brien, Massachusetts Mutual; W. H. Nichols, Metropolitan; T. S. Franklin, Jefferson Standard.

Philadelphia.

Delegates—W. A. Brokaw, Provident Life and Trust; Frank D. Buser, Massachusetts Mutual; John William Clegg, Penn Mutual; J. Edward Durham, Penn Mutual; Thomas L. Fansler, Northwestern; C. A. Foehl, Prudential; John R. Fox, Metropolitan; James H. Glenn, Mutual Benefit; J. S. Holmes, Metropolitan; C. M. Hunsicker, Fidelity Mutual; G. H. Lang, Equitable; O. F. Lenhardt, Travelers; Eugene O. Mosier, Equitable; Arthur D. Murphy, Home Life; Louis F. Paret, Provident Life and Trust; William M. Scott, Provident Life and Trust; Everett H. Plummer, Berkshire; William A. Smalley, New England Mutual; George F. Schilling, Union Central; Amos Wakelin, New England Mutual; George E. Schilling, Union Central; Oscar F. Weidemann, Provident Life and Trust; Clarence A. Wray, Home Life.

Alternates—A. Rushton Allen, Provident Life and Trust; H. H. Beidler, Provident Life and Trust; W. C. Bradley, Northwestern; Henry A. Bray, Massachusetts Mutual; M. A. Brown, Penn Mutual; William G. Carroll, Mutual Life of New York; F. H. Carrigues, Penn Mutual; E. V. Deane, New York Life; G. H. Haberbusch, Metropolitan; William R. Harper, Aetna; L. Hoffman, Northwestern; Ralph Humphreys, Penn Mutual; F. G. Jones, Equitable; E. P. Langley, Equitable; Walter M. Long, Metropolitan; George H. Lokes, John Hancock; Clayton H. Manlove, New York Life; Walter Moses, Phoenix Mutual; Richard H. Pickering, State Mutual; H. L. Reeves, Maryland Life; Thomas M. Scott, Penn Mutual; Jacob Weil, Equitable; E. C. Winburn, Mutual Life.

Pittsburgh.

Delegates—William M. Duff, Equitable of New York; William M. Furey, Berkshire; William M. Wood, United States Life; William H. Goehring, Provident Life and Trust; R. S. Goldsburly, Northwestern Mutual; Harry T. Sawyer, National Life of U. S. A.; T. W. Pomeroy, New England Mutual; Edward A. Woods, Equitable of New York; Graham C. Wells, Provident Life and Trust; F. C. Pierson, Prudential; W. C. Lyne, Union Central; E. R. Putnam, Phoenix

What Does It Cost?

To select, train and finance a man until
HE IS A SUCCESSFUL AGENT
 In time, patience and money.

We have facilities for minimizing this cost which is worth the attention of any student of the subject.

AN EDUCATIONAL DEPARTMENT!
A SALES DEPARTMENT!
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All well organized—and at the service of Managers and men.

Phoenix Mutual Life Insurance Company
OF HARTFORD, CONN.
JOHN M. HOLCOMBE, President

Mutual; A. S. E. Kinsey, Metropolitan; George W. Ryan, Provident Life and Trust; F. L. Sage, Mutual Benefit; A. R. Mackey, Berkshire; F. G. Brown, Aetna; James M. Dalbey, Mutual Life; A. E. Patterson, Equitable of New York; W. N. Golden, Phoenix Mutual; Charles W. Scovel, Northwestern Mutual; J. M. Kistler, Pittsburgh Life and Trust.

Alternates—J. J. Phillis, Provident Life and Trust; L. D. Hemingway, Connecticut Mutual; L. K. St. Clair, Equitable of Iowa; J. C. Biggert, Penn Mutual; T. J. Danner, Fidelity Mutual; R. Oehlmer, Germania Life; W. S. Stimmel, John Hancock; C. K. Brust, State Mutual; R. H. Frantz, Metropolitan; W. A. Zahn, Michigan Mutual; L. E. Umstead, Pittsburgh Life and Trust; S. J. Adams, Union Central; G. C. Vance, Northwestern Mutual; D. B. Bell, Travelers; A. M. Klages, Pacific Mutual; F. A. Johnston, State Mutual; C. O. Treat, Connecticut General; J. L. McFeeley, Massachusetts Mutual; H. H. Greer, Phoenix Mutual; J. R. Russell, Prudential; C. H. Harnies, Columbian National; P. F. Airhart, Prudential.

Puget Sound.

Delegates—Harry Calohan, Fidelity Mutual; P. B. Duren, Union Central; Arthur Finley, Penn Mutual; A. B. Furner, Penn Mutual; Harry E. Griffith, Union Central; Walter Henry, Aetna; Malcolm Hughes, Travelers; W. D. Mead, Pacific Mutual; D. B. Morgan, Northern; I. A. Nadeau, Equitable; W. A. M. Smith, Mutual Life; R. C. Stuart, New York Life; C. C. Thompson, Metropolitan; E. L. Webster, Metropolitan.

Alternates—Charles A. Bryant, Home Life; C. L. Burt, Pacific Mutual; DeWitt A. Clark, National Life; A. W. Clevinger, Prudential; Charles G. Cole, Equitable of Iowa; W. J. Dougherty, Equitable of Iowa; Thomas A. Garrigues, Northwestern Mutual; George E. Howes, New York Life; T. B. Lafferty, Canada Life; E. S. Sears, North American Life; W. H. Silliman, Mutual Life; H. L. Sizer, Penn

Mutual; H. W. Stearns, Metropolitan; A. D. Walker, Massachusetts Mutual; W. L. Waltz, Travelers; Guy Withers, Equitable.

Rhode Island.

Delegates—John E. Marshall, Union Central; Maurice H. Stearns, John Hancock.

Roanoke.

Delegates—Brooks Marmon, Mutual Life; William R. Moore, Equitable; J. W. J. Goff, Penn Mutual; H. F. Huske, Travelers; J. N. Wells, Union Central.

Alternates—Karl Kregloe, Sun Life; J. F. Turner, Metropolitan; A. L. Wolfe, Massachusetts Mutual; C. E. Kimmerling, Mutual Life; S. H. Davis, Mutual Life.

Rochester.

Delegates—J. V. Alexander, National of Vermont; Clay Babcock, Mutual Life; B. G. Bennett, Northwestern; A. B. Booth, John Hancock; H. R. Lewis, Union Central; Abram J. Mann, New England Mutual; M. R. Miller, Penn Mutual; A. V. Smith, Northwestern; Thomas Wood, Metropolitan; F. J. Withington, Mutual Life.

Alternates—S. L. Crabbe, Connecticut General; George N. Cooper, Connecticut Mutual; E. C. MacDowell, Union Central; F. J. McGrath, Massachusetts Mutual; C. J. Moran, Metropolitan; E. B. Nell, Aetna; W. S. Parks, Equitable; Wm. R. Punch, Mutual Life; George H. Shaw, New York Life; W. H. Wall, Penn Mutual.

St. Louis.

Delegates—F. T. Rench, National of Vermont; C. C. Dyer, Metropolitan; Samuel Polk, Pacific Mutual; Jos. Wertheimer, Travelers; George L. Dyer, Columbian National; J. W. Estes, Aetna; W. H. Herrick, Massachusetts Mutual; F. N. Cheney, Mutual Life; J. F. Halley, Missouri State Life; J. J. Moriarty,

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CINCINNATI'S

Safest—Largest—Best Hotel

BUILT IN 1913-1914

500 Rooms

500 Baths

Representing an Investment of Over Two Million Dollars

"The last word in Hotel Service"

HEADQUARTERS

National Association of Life Underwriters' Convention, 1914

Missouri State Life; Earle Layman, Northwestern Mutual; E. L. Isaacs, Equitable of Iowa; H. L. Kronsbein, Germania; J. M. Bloodworth, Home Life; W. E. Bilheimer, Equitable; J. J. Kelly, State Mutual; R. H. Levy, Union Central.

Alternates—J. R. Baird, John Hancock; Edwin Baur, Union Mutual; George Benham, Penn Mutual; Geo. E. Black, Mutual Benefit; W. H. Bloomer, Northwestern Mutual; Edward Closs, Security Mutual; F. N. Croxson, Equitable; C. W. Fisher, Kansas City Life; H. E. Hayward, New England Mutual; W. H. Jenkins, Travelers; William King, Mutual Benefit; R. L. Morton, Connecticut Mutual; F. B. Patten, German Mutual; E. S. Rowland, Prudential; E. B. Stinde, Northwestern Mutual; Geo. W. Taylor, New York Life; J. C. Wittmond, Columbian National.

San Francisco.

Delegates—Leon B. Messler, San Francisco Life; H. R. Hunter, Pacific Mutual; R. O. Miles, Connecticut Mutual; Warren R. Porter, Western States Life; W. L. Hathaway, Mutual Life; F. B. Stolp, National Life of Vermont; Wm. J. Bell, Massachusetts Mutual; W. H. Matson, Mutual Life of New York; Geo. B. Scott, Metropolitan; Will G. Taffinder; George L. Bandy, Mutual Life of New York; E. W. Armstrong, Reliance Life.

Alternates—Gordon Thomson, San Francisco Life; R. L. Stephenson, Union Central; James S. Osborne, Phoenix Mutual.

Savannah.

Delegates—C. F. Moses, Mutual Life of New York; A. Ferst, Union Central; E. S. Stoddard, Travelers; W. J. Harty, Massachusetts Mutual; O. E. Stewart, New England Mutual.

Alternates—A. McQuay Doyle, Connecticut Mutual; S. B. Burroughs, Fidelity Mutual; R. L. Schley, Penn Mutual; E. H. O'Connor, Mutual Benefit; M. Dryfus, Aetna Life.

Springfield, Mo.

Delegates—Jake Mars, John Hancock; W. A. Banks, Penn

Mutual; M. E. Dark, Illinois Life; Joseph Gaylor, Mutual Life of New York; M. A. Nelson, Equitable of New York.

Alternates—M. J. Thomas, Equitable of New York; F. P. McAtee, Missouri State Life; J. H. Groves, Kansas City Life.

Tacoma.

Delegates—L. A. Jacox, Bankers Life of Des Moines; W. J. Benston, Reliance Life; George Jacobs, First National Life; Martin C. Arvidson, Northwestern Mutual; C. F. Widmann, Equitable Life.

Alternates—Tallmadge Hamilton, New York Life; S. S. Hilmes, Equitable Life; J. E. Horton, Bankers Life of Des Moines; A. W. Sexsmith, First National Life; C. H. Nelson, Reliance Life.

Texas.

Delegates—J. Y. Webb, International; James A. Stephenson, Southland Life; A. C. Bigger, Southwestern; O. S. Carlton, Great Southern; A. Rosenbaun, Pacific Mutual; Henry C. Harris, Reliance; A. L. Davis, American Central; W. G. Harris, Aetna; Orville Thorpe, Kansas City Life; Charles Boedeker, Great Southern; Ben Thorpe, Federal; W. S. Duggor, Jr., American Home; E. J. Roberts, Amicable.

Alternates—S. B. Huff, American National; Wm. Bacon, Bankers Life; Wm. J. Murphy, Equitable; B. F. Myers, Fort Worth Life; R. M. Colquitt, Guarantee; A. A. Green, Jr., Manhattan; W. F. Beaton, Missouri State; S. H. Chiles, National Life of U. S. A.; Bob Fite, Oklahoma National; E. F. Phillips, Protective Life; A. S. Doerr, Sam Houston; D. D. Crockett, Midland Mutual.

Toledo.

Delegates—John S. Allam, Connecticut Mutual; George W. Farley, Equitable of Iowa; S. L. McAfee, Union Central; F. O. Dimick, Fidelity Mutual; R. S. Donaldson, Mutual of New York.

Alternates—G. H. Parsons, Northwestern Mutual; J. W.

Crook, Provident Life and Trust; E. L. Briggs, Prudential; D. C. Hart, Penn Mutual; J. E. Alvord, National of Vermont.

Topeka.

Delegates—Henry H. Hall, New York Life; H. O. Garvey, Massachusetts Mutual; Geo. G. Moore, Germania; E. H. Lupton, Bank Savings National; Charles A. Moore, Equitable.

Alternates—Frank B. Parker, Connecticut Mutual; Clarence S. Bowman, New England Mutual; Earl J. Tanner; E. D. Clitro, Home Life; Charles S. Locknane, New England Mutual.

Wichita.

Delegates—J. M. Haines, Union Central; H. W. Allen, Mutual Benefit; S. M. Young, Equitable of New York.

Youngstown.

Delegates—F. B. Hawkins, National Life of Vermont; R. L. Hartzell, Equitable of New York; Samuel Hankins, State Life of Indiana; L. J. Burt, United States Life; Geo. H. Stone, Equitable of Iowa; H. W. Koons, Western and Southern Life.

Alternates—C. W. Hench, Pittsburgh Life and Trust; D. H. Johnson, Equitable of Iowa; J. J. Quinn, Prudential; Elias Jenkins, Royal Union Mutual; Myron Eckert, Travelers; Leo Guthman, Equitable of New York.

The Best Banking.

The prospect said, "No, I put my money in the bank."

The agent said, "What will happen when the bank breaks? I don't mean that particular bank in which your money is deposited now, for it is probably safe and sound.

"Actually you are the bank from which all the money you have is drawn. What you earn, what you spend, what you save, are all sight drafts on your own producing ability. It is as steady a drain upon your mental and physical resources as the checks which you sign against your deposit account. The latter has you behind it; behind you there is nothing.

"If you were to go to your bank to-morrow and find it closed, your money all gone perhaps, it would not break you. You have health and strength and courage left.

"But when you break, what will happen to those who are dependent upon you? They will be up against the barred door, and the sign 'In the hands of a receiver' so far as you are concerned. Unless you have banked on the future, their income stops short.

"When you take out a life insurance policy you make the biggest bank deposit you ever made in your life at one time. Did you ever put ten thousand—twenty thousand—dollars through the receiving teller's wicket and say, 'Put that to the credit of my account?' No?

"Well, the minute you sign this application and make the first deposit on your new bank account, you have actually provided that whole sum—ready, waiting for service against the one big call that is coming to you some time—the one on which you will never get any extension time. That's banking in a new sense and banking with common sense and foresight. Sign here."—*The Exponent*.

FOUR LOCAL ASSOCIATIONS RECENTLY ORGANIZED

Deseret Association.

As a result of factional feeling in the Utah association the Deseret Association of Life Underwriters was recently organized in Salt Lake City. It has 65 charter members, and the following officers: President, A. P. Huntingdon, Metropolitan Life; first vice-president, F. E. Francisco, West Coast Life; second vice-president, W. G. Hunter, Kansas City Life; treasurer, Frank Mozley, Beneficial Life, and secretary, Leroy M. Morris, Union Central Life. The executive committee of the new Deseret association comprises Chas. W. Helser, Con-

tinental Life; R. K. Hardy, Western States Life; J. V. Smith, New York Life; John D. Spencer, New York Life, and Frank Slater, Metropolitan Life. In addition to the regular members, the following have been elected honorary members of the association: Governor William Spry, president Inter-Mountain Life of Salt Lake; John James, Utah insurance commissioner; N. G. Stringham, general manager Continental Life, and L. N. Stohl, general manager Beneficial Life.

It is not the province of the News to discuss the causes which led up to a second association in Salt Lake City. At the present time no good purpose could be served. It is known, however, and admitted by the leading members of both associations that dissatisfaction over the fractional vote at the annual meeting of the Utah association was to a considerable measure responsible for the differences of opinion which have arisen.

The Deseret association has authorized its president and secretary to convey to John James, the newly appointed Utah Commissioner of Insurance, its pledge of support in assuming the duties of his office.

Hardin County.

A new local association has been organized, with headquarters at Elizabethtown, Ky., which will be known as the Hardin County Association of Life Underwriters. The officers are: President, Eugene Stuart, Union Central; vice-president, C. E. Bunnell, Metropolitan; secretary-treasurer, D. M. Cooper, Mutual Benefit. An active campaign will at once be begun to increase the membership.

Jacksonville.

Permanent organization of the Jacksonville association was recently effected at a meeting held in the banquet hall of the Jacksonville Board of Trade. Officers elected for the ensuing year were: President, R. Peter Jones, manager of the Metropolitan; vice-president, Tracy L. Acosta, manager of the Penn Mutual; secretary-treasurer, Williard T. Lusk, manager of the Union Central. President Jones, Secretary Lusk, George E. Shepherd, manager of the Home Life, and William Dickson, manager of the Equitable, compose the executive committee. The association has 21 charter members and it is expected that this list will be considerably increased in the near future. Meetings will be held on the second Tuesday of each month. The members were unanimous in their decision to apply for membership in the National Association. Consequently the application for this purpose was forwarded and it has been approved by National President Ernest J. Clark and Hugh M. Willet, chairman of the national executive committee.

San Diego.

As a climax to considerable preliminary work under the leadership of Vice-President John Newton Russell, Jr., an association was organized at San Diego, Cal., on the evening of the 1st inst. A delegation of Los Angeles underwriters was present to help things along.

John W. Whittington, a former president of the National Association, delivered a stirring address, speaking on "Life Insurance as a Profession." "It is the highest calling under heaven, save one," said Mr. Whittington, "and I do not always except that one, though I will to-night because San Diego is a city of churches. You and I, as life insurance men, are called of God to close the doors of the orphanage and make it possible for every child to have a home training. This can be accomplished only by the dollars and cents produced by life insurance."

The Los Angeles delegation was composed of the following: John W. Whittington, National Life; John Newton Russell, Jr., and T. A. Waltrip, Pacific Mutual; Walter E. Webb, secretary of the Los Angeles association; Bertram P. Rouse, Mutual Benefit; W. C. Shaw, Metropolitan; D. J. Sidwell, Provident Life and Trust; J. J. Therion, Aetna; William R. Hoefflin, Connecticut Mutual, and J. J. Gilligan, Manhattan.

What the Local Associations Are Doing

Life Association News has no paid correspondents. We depend entirely upon the secretaries of local associations to send us stories of all meetings of their respective associations. If an account of the last meeting of *your* association does not appear in this department, ask the secretary of your organization why he did not send us the particulars.

Immediately after each meeting, on the same day if possible, secretaries of local bodies should send us a full account of the business transacted, including copies of all speeches, or extracts from the most important of them.

Chattanooga.

Col. J. D. Torrey, of Nashville, was the guest of honor at the August meeting of the Chattanooga association, which was held at the Hotel Patton on the 7th inst. The subject of his address was "Life Insurance Legislation and Taxation." Captain C. W. Biese also spoke, talking upon the war situation in Europe. Delegates and alternates to the Cincinnati convention were elected.

Delaware.

A meeting of the Delaware association was held on July 28 at the office of Vice-President W. W. Knox. President James L. Price, who has been ill for some time past, was present and presided at the meeting. The association elected Charles L. Palmer as representative on the national executive committee. Messrs. Knox and McDonald were appointed a committee to see the managers of the various companies on the subject of the booklet on taxation recently issued by the National Association.

Mr. Palmer read a paper on the subject of advertising, and Messrs. Knox and McDonald were appointed a committee to confer with the managers of the various companies relative to raising funds for the institutional advertising campaign.

Mr. Knox made a report on the railroad service to Cincinnati and Fred C. McCall was elected a member.

Deseret Association

An enthusiastic meeting of the newly organized Deseret association was held at the Commercial Club in Salt Lake City on July 29. Among the guests of honor were Governor Spry and Secretary J. K. Hardy. The object of the meeting was for the purpose of listening to the address of Garner Curran, deputy commissioner of the Panama-Pacific International Exposition for the World's Insurance Congress in 1915. Others who addressed the meeting were: A. P. Huntington, president of the association; John James, Commissioner of Insurance; Cyrus K. Drew, editor of the *Insurance Report*,

of Denver, and C. W. Helser, superintendent of agencies of the Continental Life & Investment Co.

President Huntington was introduced to the assemblage by John D. Spencer, chairman of the entertainment committee. The address of Mr. Curran was listened to with great interest on the part of those present and was descriptive of the work the World's Insurance Congress has in hand along educational lines. Governor Spry responded with the assurance that every assistance possible would be rendered toward making the congress a great success. The Governor also assured the members of his hearty support in advancing the insurance interests of the State.

Commissioner James recalled that almost the first money available, amounting to many millions of dollars, in the stricken city of San Francisco in 1906 was that furnished as policy loans by the life insurance companies.

E. Maclain, of the Puget Sound association, talked on the great principles of co-operation such as was in evidence at the meeting, and gave as his opinion that the association was bound to be of great assistance toward making the insurance congress a most successful gathering.

Cyrus K. Drew was serious and witty in turn, and pledged his loyal support in the interests of the congress. C. W. Helser made the closing address, in which he paid a glowing tribute to the good fellowship existing among the members of the association. The meeting was preceded by a luncheon at which 100 covers were laid.

Detroit.

John I. D. Bristol, general agent of the Northwestern Mutual for New York City, addressed 83 members of the life insurance division of the Detroit Board of Commerce recently. The attendance was quite satisfactory and was due to the efforts of President M. H. Zacharias, of the Detroit association. Mr. Bristol's address appears elsewhere in this number. On motion of C. L. Ayres, president of the Northern Assurance, President Zacharias was authorized to appoint a committee of five to consider means of furthering Mr. Bristol's suggestions.

Grand Rapids.

The Grand Rapids association has voted favorably upon the fund proposed to be raised by the national committee on education and conservation for an institutional advertising campaign. At the meeting at which this action was taken delegates were elected to the Cincinnati convention.

Los Angeles.

The July meeting of the Los Angeles association was held at the Gates Hotel. Frank E. McMullen, a former president of the National Association, explained the purpose of the institutional advertising campaign of the National Association and favorable action was taken by the local body. The following committee was appointed to conduct the advertising work of the association: J. N. Russell, Jr., Pacific Mutual; I. J. Muma, Aetna Life; William McClelland, Equitable; George L. Dickinson, Connecticut General, and Frank E. McMullen, Massachusetts Mutual.

William McClelland, who has served for five years as secretary of the association, resigned because of increased duties in connection with his agency work. Resolutions of regret were passed and Walter Webb was elected to serve out the unexpired term. Delegates were appointed to the Cincinnati convention.

The association decided to support San Francisco's claims for the 1915 convention, and in a communication William L. Hathaway, Commissioner of the World's Insurance Congress, was assured that the Los Angeles underwriters would aid in acting as hosts to the delegates.

Minneapolis.

At the regular July meeting of the Minneapolis association, J. Edward Meyers and Warren M. Horner spoke on the value

of attending the annual convention at Cincinnati. It was decided to devote the next meeting to a discussion of the topics which were announced to come up for discussion at the coming convention.

Minnesota.

Favorable action on the institutional advertising campaign was recently taken by the Minnesota association. The members present at the meeting voted unanimously to support the plans of the national committee on education and conservation. President Harrison appointed a publicity committee of three—M. J. Dillon, manager, Pacific Mutual; J. Horace Locher, manager, Aetna Life, and C. H. Corbett, manager, State Mutual. Delegates were also elected to the Cincinnati convention.

Mississippi.

The matter of the Mississippi association encouraging the school children and college men in writing essays on life insurance was discussed at a recent meeting of that association and met with unanimous approval. The association has under advisement the idea of purchasing two prizes, one

for the high school pupil who writes the best essay on the subject and one for the college whose student contributes the best article.

Mobile.

The Mobile association at its annual meeting elected the following officers for the ensuing year: President, Charles M. Erdman; vice-president, H. A. Lockwood; secretary, E. Bodman; treasurer, C. A. Hopkins. Executive committee, Leon Schwarz, L. D. Dix, C. W. Moss, Geo. W. Threefoot.

Oregon.

Joseph H. Gray, secretary-treasurer of the Oregon association, has just sent out a letter to all members of that association asking for support and co-operation in building up the association. The letter reads as follows:

"The Life Underwriters' Association of Oregon will reconvene for its regular monthly meeting on Sept. 21, 1914.

"We feel that in view of the larger responsibilities that will devolve upon us during the forthcoming months, we should extend our influence throughout the entire life insurance field of the State. The best method to pursue in order to accomplish this is to increase our membership. You are hereby

"What the Equitable Offers"

What the Equitable Offers is the title of a booklet listing in detail the many attractions and advantages of Equitable policy contracts.

While intended for the prospective insurer, it will interest any insurance salesman who is curious to know why Equitable policies sell readily, renew steadfastly and meet every conceivable need of all classes of insurers. A copy will be sent to any address on request.

The Equitable Life Assurance Society

of the United States

165 Broadway, New York

W. A. DAY, President

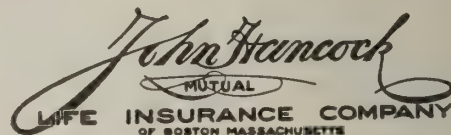
Satisfied Policyholders

The constant line of applicants
for **ADDITIONAL** insurance in the

JOHN HANCOCK

shows that its members have
GOOD JUDGMENT

TIE UP WITH THE COMPANY MAKING
SATISFIED AGENTS



WILLIAM N. COMPTON

General Agent Metropolitan District

ST. PAUL BLDG. 220 BROADWAY
NEW YORK, N. Y.

made a committee of one. Your duty is to see that some good, clean life underwriter applies for membership in the association before Sept. 21, 1914, and that you send the secretary proper application on the form enclosed, accompanied by a covering initiation fee. If you will do this one thing, when we start our fall meetings we will do so with a membership just twice what we now have, and in consequence our association should prove twice as effective.

"A careful record will be kept of each member to whom this letter goes, and your success or failure to make good on this demand will be a criterion to your officers whether or not you are concerned with the welfare of the association; whether you are a live wire or short circuited; whether you are one of the fellows who come to the meetings, enjoy a good dinner and sit back and say, 'Come on, entertain me,' or a fellow who is willing to put his shoulder to the wheel and go along our great profession to its ultimate destination—the *First Business of the World*."

Pittsburgh.

The annual picnic of the Pittsburgh association was held at Homestead Park. Special trains left the Pennsylvania Station early in the afternoon. A ball game was staged between the Rebels and the Federals, the Federals winning 21 to 16. After the game a basket supper was enjoyed on the lawn. There was also dancing from 2 to 11.30 p. m. A business session was held at 6 p. m., and the following applications for membership, having been recommended by the executive committee, were unanimously elected by the association: Wm. G. Luke, Pittsburgh Life and Trust; Frank A. Johnston, State Mutual of Massachusetts; A. A. Knox, Pittsburgh Life and Trust; Geo. W. Ramby, Providence Life and Trust; G. A. Walker, New York Life.

On motion of Mr. Scovel, seconded by Mr. Kinsey, it was recommended that a committee be appointed by the chair with power to appoint delegates to the coming Cincinnati convention. On motion of Mr. Scovel seconded by Mr. Greer, it was unanimously recommended that a committee be appointed to draw up proper resolutions setting forth the advantages from an insurance standpoint of Pittsburgh securing the regional bank. The president mentioned the good work accomplished by those boosting the insurance course at the University of Pittsburgh during the past year. Mr. Scovel requested the schedule of the lectures last year be spread on the minutes of the association as the report of the committee in charge of these lectures. The following is a list of lectures, with dates added, at the University of Pittsburgh:

- Feb. 2—Registration and Introduction.
- Feb. 9—History of Life Insurance.
- Feb. 16—Life Insurance as a Social and Economic Force. Lecture by Edward A. Woods.
- Feb. 23—Mortality Tables.
- Mar. 2—Services for the Family or the Estate. Lecture by Charles W. Scovel.
- Mar. 9—Theory of Life Insurance.
- Mar. 16—Services for Old Age; for the Business. Lecture by Graham C. Wells.
- Mar. 23—Premiums, Ordinary Life and Limited Payment Life.
- Mar. 30—The Policy: Kinds and Uses. Lecture by Frank L. Sage.
- Apr. 6—Premiums, Term and Endowment.
- Apr. 13—Organization, Administration, Investments. Lecture by Edward O'Neil.
- Apr. 20—The Reserve.
- Apr. 27—Medical Services of Life Insurance. Lecture by Dr. Henry A. Baker.
- May 4—State Laws and Supervision.
- May 11—The Field and the Agent. Lecture by Ernest J. Clark, of Baltimore, president of the National Association of Life Underwriters.
- May 18—State and Compulsory Insurance.
- May 25—Stability and Permanence of Life Insurance. Lecture by H. D. W. English.
- June 1—Written Review.

The committee appointed by the president to draw up suitable resolutions setting forth the advantages, from an insurance standpoint, of Pittsburgh securing the regional bank, were as follows: Charles W. Scovel, Lawrence C. Woods and James C. Bigger. The resolution as it appeared in formal shape, was as follows:

RESOLUTION OF THE PITTSBURGH LIFE UNDERWRITERS' ASSOCIATION.

Whereas, The Federal Reserve Board is now being urged to review the committee decision as to the location of the regional bank for District No. 4, and to locate said bank in Pittsburgh instead of Cleveland; and

Whereas, Over twenty-five million Americans of all classes (nearly three times the number of savings bank depositors) are now pooling their savings in the form of life insurance; and therefore the relative volume of life insurance transactions in any city indicates most broadly the economic status and thrift of its population as a whole; and

Whereas, Life insurance currently deposits in and remits through the banks its vast totals of premiums and interest paid in, and of disbursements and investments paid out—aggregating over two billion dollars a year; and therefore the volume of life insurance transactions in any city is highly significant in judging the relative importance of that city's banks in the handling and movement of the nation's money; and

Whereas, First, comparing the transactions of local companies only, the twenty-nine millions of life insurance assets centered in Pittsburgh, are thirty-six times the amount centered in Cleveland; and the yearly income of six millions is nineteen times as large; and, second, comparing the yearly aggregate of all life insurance transactions taking place in the two cities and in adjacent territory handled through them, it is safe to say, in the absence of exact statistics, that such yearly aggregate for Pittsburgh is at the very least three times as large as for Cleveland; and

Whereas, Scores of millions of dollars a year are handled back and forth, in the life insurance transactions taking place throughout said District No. 4, of which money the overwhelming bulk passes to and from the seaboard directly through Pittsburgh, and but a trifling portion passes in the direction of Cleveland; and

Whereas, In other lines of finance and business, Pittsburgh likewise surpasses Cleveland, both in the magnitude of its own activities and in its convenient location on the main path of traffic and exchange to and from the various sections of District No. 4—as is evidenced strongly by the votes of the banks themselves throughout said district. Be it therefore

RESOLVED, That the Pittsburgh Life Underwriters' Association, speaking for its own members and in behalf of the millions of policyholders within said district, for whose vast funds the best banking facilities are required, hereby places itself on record as strongly favoring the location of said regional bank in Pittsburgh; and the officers of the association are hereby authorized and directed to take, in its name, any further steps proper and apt to forward this purpose.

Puget Sound.

The committee on education and conservation of the Puget Sound association has been investigating the courses on insurance in various institutions of learning throughout the country and the correspondence of the committee develops the fact that associations everywhere are interesting their educational institutions in the teaching of life insurance, but with a very wide diversity of method.

After several conferences a meeting was arranged in accordance with the instructions of the executive committee. Dean J. Allen Smith and Prof. Abraham Berglund, of the department of political and social science of the Washington University, President Mead and Secretary Furner of the association, Guy Withers, chairman, and H. L. Sizer, of the committee, and I. A. Nadeau, who was the host of the evening, were present.

At this meeting a general plan for teaching life insurance in the Washington University was formulated. The course will come in the second semester of the school year and will be under the direction of the new assistant professor of economics, Dr. Harry Edwin Smith, who comes from Cornell University. The catalogued course on insurance provides for 51 hours' work in 17 weeks of the semester. It is probable that at least half of this will be given to life insurance, which will likely include eight or ten lectures to be prepared by prominent insurance men. More definite publication will be made after Professor Smith arrives from the East and has had time to make specific arrangements. It is expected that the association's committee will arrange for the lectures.

H. L. Sizer has been appointed a committee of one to arrange for the beginning of a library of insurance literature at Washington University. It is expected that members of the association will desire to contribute to this collection. A review has been made of the insurance works in our public library and quite a valuable list, which the committee will be glad to supply on request, has been formulated.

The publicity measures undertaken in the columns of the *Post-Intelligencer* have already begun to bear fruit, which is very gratifying and rather surprising in view of the fact that very rarely does an advertising campaign show results until it has been continued for a considerable time. Several of our members report favorable comment on the part of policyholders and others, showing that the articles are read—and this is the whole object of the campaign—to get reading matter on the subject of life insurance before the public in a readable way and create favorable attention in advance of the interview. It is also reported to us that some cases are being written—not perhaps as a direct result of the articles, but in some instances the articles had been read and the way cleared for a successful interview. At least one case, however, was classed as a direct result of the article headed, "Waited Too Long to Get Insurance," which appeared June 29. The agent in this case was stopped on the street by an acquaintance who stated that the article had made him think and, to shorten the story, he was closed in 15 minutes for a \$5,000 policy.

Richmond.

Representatives from the various local associations in Virginia met in Richmond on the 1st inst. and discussed tentative plans for holding a life insurance congress in that city some time early in 1915. Effort will be made to have a large attendance, and the associations in Washington, D. C., and in North Carolina will be asked to participate. It was also unanimously decided that Richmond should leave no stone unturned to secure the 1916 convention and that strenuous efforts along those lines should be started at the Cincinnati meeting. The presidents of the several associations in Virginia were named as a committee to arrange for the insurance congress. E. M. Crutchfield, president of the Richmond association, will preside as chairman.

Roanoke.

The July meeting of the Roanoke association was held at the Japanese Tea Room in Roanoke. Communication was received from Warren M. Horner, chairman of the national committee on education and conservation, and the institutional advertising campaign was discussed. The association is in hearty sympathy with the movement and decided to contribute to the fund. "The Taxation of Life Insurance Policyholders" was the next subject of discussion and those who spoke were J. W. Goff, of the Penn Mutual; W. H. Wells, of the Union Central; J. H. Turner, of the Metropolitan, and Brooks Marmon, of the Mutual of New York.

San Francisco.

At a meeting of the San Francisco association, held on July 30, 15 delegates and alternates were elected to the Cincinnati convention. The appointments are given elsewhere in this number. Felix M. Locher, of the West Coast Life, and S. P. Wiley, of the Reliance Life, were elected to membership. The principal speaker was Willard Done, who recently resigned as State Insurance Commissioner of Utah to accept a position with the Board of Fire Underwriters of the Pacific. Mr. Done emphasized the necessity of San Francisco securing the 1915 convention of the National Association and of the World's Insurance Congress. He pledged his earnest support to both movements.

J. E. Phelps, the new Insurance Commissioner of California, was unanimously elected an honorary member.

"The Wine Industry of California" was the subject of an address by A. S. Sparboro, president of the Italian-American Bank and secretary of the Italian-Swiss Colony. The speaker asked for information as to whether or not life insurance companies would accept as risks those who used wine in moderation, and stated that certain advocates of prohibition had claimed that such was not the case. The following resolution was adopted:

"Be it resolved, That the secretary of the Life Underwriters' Association of San Francisco, replying to a request for information made to this body at its regular meeting by A. Sparboro, be instructed to write and state that so far as known well managed life insurance companies accept risks on and issue policies on the lives of those who use wine moderately at their meals; and that it is generally understood that such moderate use does not prejudice the successful passing of a medical examination for life insurance by the medical examiners of regular life insurance companies."

Topeka.

The Topeka association recently held its annual election of officers, with the following results: President, C. A. Moore, manager of the Equitable of New York; first vice-president, H. H. Hall, special agent of the New York Life; second vice-president, Charles De Forest, Massachusetts Mutual; secretary, Clarence S. Bowman, New England Mutual; treas-

PACIFIC MUTUAL LIFE INSURANCE COMPANY

(LIFE DEPARTMENT)



Organized 1868

We have some good open territory in Arizona and will offer attractive general agency contract to right man.

Address the COMPANY, AGENCY DEPARTMENT, at Los Angeles, California.

—or—

Vice-President DANFORD M. BAKER, 1430 Insurance Exchange Building, Chicago.

urer, John P. Moss, Massachusetts Mutual. Executive committee, C. A. Moore, C. S. Bowman, John P. Moss, H. O. Garvey and G. H. Lupton. National executive committeeman, Frank B. Parker, manager of the Connecticut Mutual.

Utah.

At the regular quarterly meeting of the Utah association there was a discussion of the institutional advertising campaign and hearty applaud was given to the idea. The association went on record as favoring it, and those present expressed a desire to contribute. The annual outing of the association will be held in the near future.

The Utah association gave a luncheon at the Hotel Utah in Salt Lake City on the 4th inst. Garner Curran, deputy insurance commissioner of the World's Insurance Congress, was the guest of honor and the invited guests were Governor Spry, Mayor Park, Insurance Commissioner James, Cyrus K. Drew, editor of the *Insurance Report*, and the presidents and secretaries of the following associations: Commercial Club, Utah Bankers' Association, Add Club, Credit Men's Association, Fire Association, Press Club, Manufacturers' Association, Traffic Bureau, Casualty Underwriters and the Transportation Club.

Mr. Curran delivered an interesting address in connection with the World's Insurance Congress, after which brief talks were made by Mayor Park, President Armstrong of the National Copper Bank, Will G. Farrell, Commissioner James and Mr. Drew.

Plans were made for forming a Utah Insurance Congress to promote local interest in the World's Insurance Congress.

Wichita.

An election of officers of the Wichita association was recently held with the following results: President, E. P. Vanderburg, Massachusetts Mutual; vice-president, J. M.

Hanes, Union Central; secretary-treasurer, Oscar L. Hill, National Life of Vermont. Executive committee: P. M. Anderson, Northwestern; S. M. Young, Equitable of New York; E. L. Seamans, Prudential; H. W. Allen, Mutual Benefit; F. H. Stuckey, Anchor Life.

H. W. Allen, the retiring president, read a paper on life insurance taxation. He said in part:

AGENTS WHO REPRESENT THE

PENN MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

HAVE AN INSURANCE CONTRACT
TO PRESENT WHICH IN THE SUM
OF ALL ITS BENEFITS IS UNSURPASSED
IT IS BEST NOT JUST ONE WAY
BUT BEST ALL WAYS
AND ALWAYS
BACK OF IT IS A SIXTY-SEVEN YEAR
REPUTATION FOR FAIR DEALING
WITH ALL ITS POLICYHOLDERS WHETHER
CONTINUING, WITHDRAWING, MATURING
OR DYING

This kind of policy closes contracts

Continuous Installment Policy

Guaranteeing during the entire life time of the beneficiary (and for twenty years certain) an

Annual Income of \$1,000.00

Insured Age 40 Beneficiary Age 35
Gross Annual Premium \$517.60

Dividend at end of First Year \$92.25

Reducing net cost that year to \$425.35

Dividend at end of Second Year . . . \$95.85

Reducing net cost that year to \$421.75

Dividend at end of Third Year . . . \$99.75

Reducing net cost that year to \$417.85

To the left is a typical Union Central policy. Note the low net premium rate.

Every man whose insurance you are soliciting will be quick to realize the economy of a policy like this.

We have an excellent proposition for the right kind of men. Address Jesse R. Clark, Pres., or Allan Waters, Supt. of agents.

The Union Central Life Insurance Co. OF CINCINNATI

THE LYONS PRINTING COMPANY

MONOTYPERS
LINOTYPERS
B I N D E R S

High-Grade Book and
Catalogue Printing

EXPERTS IN
INTRICATE
COMPOSITION

NEW YORK OFFICE
105 WEST 40TH STREET

TELEPHONE 983 BRYANT

A MODERN PLANT
LOCATED AT LYONS, NEW YORK

"Taxes are necessary for the support of government. When justly imposed they are a burden upon no one, but when unjustly applied they serve to rob one class for the enrichment of another, they discourage the production of wealth and they provoke resentment, discontent and, ultimately, rebellion. Nearly every war in history has been closely connected with the question of taxation; nearly all have been the rough manifestation of a desire to appropriate from subjugated peoples, through channels of taxation, wealth for which no proper value was to be given in return. And it is as true to-day as it has been in the past that the word taxes is frequently but a respectable synonym for the more appropriate word robbery.

"Of all unfair and unreasonable taxes, that tax which in this country falls upon life insurance is easily the worst and most inexcusable. The direct result of life insurance is to save the State an enormous expense (for the maintenance of dependent widows and orphans) that would otherwise fall upon it. If, therefore, any business is entitled to the especial favor of government, it is that of life insurance. Any tax at all on this business is unwise, unfair and unwarrantable. So ignorant of the fundamentals of sane political economy have our lawmakers been, however, that the life insurance business has been regarded and treated as but a source of huge revenue. For example: the State of Kansas collects in taxes upon the insurance business upwards of \$500,000 annually, about one-third of which is paid by life insurance companies, while the total expense of the insurance department is only about \$10,000! In addition to the State tax is the license, \$10, \$25 or \$50, penalizing the most beneficent business in the world.

"After that State and city have taken all they can from this widows' and orphans' fund, for such it amounts to, the Government at Washington gets another large share by its income tax. In this connection it is a matter of satisfaction for us to know that our National Association succeeded last summer in securing amendments to the income law which saves policyholders possibly \$15,000,000 annually."

The Prudential Policy



presents clear facts. People accept it accordingly.

Agents Wanted.

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

FORREST F. DRYDEN, President.

Home Office, Newark, N. J.

Incorporated as a Stock Company by the State of New Jersey

Six Shining Months

The representatives of this Company have thus far in 1914 written and placed more insurance than in any previous six months' period. Each of the six months shows a gain over its predecessor in 1913. This vigorous growth is not accidental. It comes from recognized worth,—perfect policies, low cost, great financial strength, efficient service. And our representatives are happy in their relations with the Home Office.

Occasionally we have a General Agency opening for a capable life underwriter.

JOSEPH C. BEHAN, Supt. of Agencies

Massachusetts Mutual Life Insurance Company

Incorporated 1851

Springfield, Mass.

ÆTNA Life Insurance Co.

OF HARTFORD, CONN.

ISSUES BOTH

Participating and Non-Participating Life and Endowment Policies

Also Non-Participating Term Policies

Agents will find that the policies of this Company cover a wider range and provide greater benefits than others, and are therefore easiest to sell.

Experienced and successful men, also successful men without life insurance experience, may find satisfactory opportunity with the ÆTNA LIFE. Address:

FRANK BUSHNELL, Agency Secretary,
HARTFORD, CONN.
or T. B. MERRILL, Supt. of Agencies,
134 Monroe Street, CHICAGO.

Life Association News

OFFICIAL ORGAN OF THE NATIONAL ASSOCIATION OF LIFE UNDERWRITERS

Entered as second class matter, Feb. 4, 1907, at the Post Office at New York, N. Y., under the Act of Congress of March 3, 1879.

Vol. 9.

NEW YORK, SEPTEMBER, 1914

No. 1.

HUGH M. WILLET

Elected President of the National Association of the Twenty-fifth Annual Convention



Hugh M. Willet was born in Penfield, Georgia, on July 22, 1858, and received his education at Mercer University, of which institution his maternal grandfather was the first president. He went to Atlanta on January 1, 1902, and purchased of H. C. Bagley a half interest in the General Agency of the Penn Mutual. Mr. Willet has been prominent in association circles for many years, and was chairman of the Executive Committee during the last association year.

FOREWORD

The National Association of Life Underwriters, representing more than one hundred thousand agents and twenty-five million policyholders, stands for the best interests of Life Insurance. To promote those interests, it is essential that policyholders and the public be educated, and kept informed, regarding the true character of Life Insurance. This vitally important work has been entrusted to a capable committee whose preliminary plans have reached that point where, it is believed, a nation-wide campaign of education will soon be inaugurated.

Another great movement looks to the protection of policyholders by securing such amendments to our laws as will remove unnecessary and unjust burdens of taxation. When policyholders in the United States realize that these taxes amount to thirteen million dollars a year, which sum is equivalent to \$550,000,000.00 of insurance protection, they will demand a reduction of these taxes.

It is the aim and purpose of the present administration to carry forward these important undertakings, as soon as possible, to a successful conclusion. It is also our intention to assist in educating agents in order that they may render more efficient service to policyholders. In the proper working out of these plans, we invite the cordial co-operation of all Insurance forces—in executive offices as well as in the field.

HUGH M. WILLET,
President.

TWENTY-FIFTH ANNUAL CONVENTION "GREATEST EVER"

**SIX BUSY SESSIONS WITH SEVERAL MEETINGS OF THE EXECUTIVE COMMITTEE POINT TO PROGRESS MADE IN THE SOLUTION OF THE TWO BIG PROBLEMS—
EDUCATION AND CONSERVATION AND TAXATION.**

Attendance Far Greater Than Anticipated. Local Arrangements Perfect. Many Important and Constructive Resolutions Adopted. San Francisco Gets 1915 Convention Without Opposition. New Administration to Continue an Aggressive Campaign

With the European situation growing more serious day by day, and in view of the reports of consequent financial stringency from all sections of the country, leading members of the National Association were prepared to be disappointed as to the attendance at the Twenty-fifth Annual Convention held on Sept. 15, 16 and 17 at the Hotel Gibson, Cincinnati.

All misgivings on this score, however, were effectually dispelled when shortly after the first session of the gathering was called to order by President Ernest J. Clark not a vacant seat could be found in the convention hall and many underwriters were compelled to take chairs placed in the surrounding corridors.

Splendid Attendance.

With a general tendency of retrenchment in business circles everywhere apparent; with a practical stagnation of the usual form of investments, it was the natural assumption that life insurance would feel the depression and that the reflection of these conditions would be manifested by a slim registration. That the attendance far exceeded anticipations proves that the National Association evolved a course of action at Atlantic City last year which impresses the members of the various local bodies as being of vital interest to the welfare of their profession.

Taxation and education and conservation were and are still the big problems, and although much has been accomplished during the past year, there is no abatement of interest. On the contrary, there seems to be an earnest desire to make the coming year still more prolific of results.

After calling the meeting to order at 10.30 on the morning of Tuesday, Sept. 15, President Clark requested all the officers and the former presidents to find seats on the platform. Enthusiasm ran high throughout the sessions, but the St. Louis and Pittsburgh delegations were particularly ebullient and at this point started up their "war cries" until Mr. Clark rapped for order.

The Rev R. E. Elmore, pastor of the Walnut Hills Christian Church, delivered the invocation, after which there were the usual addresses of welcome, one by John L. Shuff, president of the Cincinnati association, and the other by Jesse R. Clark, president of the Union Central Life Insurance Co. The latter was of a formal character and consistent with the dignity of the chief executive in a large company; the former was marked by a happy disregard of set forms—one might term it unconventional—but nevertheless distinctly enjoyable. At the request of President Clark, A. J. Meiklejohn, president of the Life Underwriters' Association of Canada, joined the group on the platform.

The Past and the Present.

An interesting bit of association history was then injected into the proceedings. Mr. Clark introduced Robert Lansing Douglas, of Piqua, and J. Wilfred Iredell, Jr., of Cincinnati. Former President Charles W. Scovel then linked the past with the present by presenting the following resolution, which had previously received the approval of the executive committee and which was unanimously adopted by the convention:

The National Association Life Underwriters' meeting in Cincinnati for its Twenty-fifth Annual Convention deems it fitting to place on record its sense of obligation to the pioneers who forty-two years ago began in this city the first life underwriters' association of real importance. Although there is record of transient local organizations at Chicago in 1869 and at Pittsburgh in 1870, the association formed June 10, 1872, at Cincinnati, did not stop there, but led directly to the formation of another at Cleveland the same year, and to their union into the Ohio State Association the year following. Until its last meeting in 1878, this State-wide organization rendered valuable service toward abating the evils of its day.

That the experience gained during the six years of this preliminary movement pointed the way to success for the permanent movement, begun in 1883 at Boston, and for the National organization begun there in 1890, is the recorded testimony of Chauncey M. Ransom himself, who had instigated and promoted all three of these beginnings and who continued his good work for the cause until his death in 1901.

We, therefore, record this minute in honor of the active organizers and first officers of those pioneer associations. We pay our grateful tribute to the memory of Maxwell, Grosvenor, George W. Fackler, S. U. Hammond and Samuel W. Johnston, of Cincinnati; John E. Colby, of Cleveland, and A. G. Byers, of Columbus, who have passed into the great beyond.

And we extend our cordial personal greeting and gratitude to the survivors, Robert Lansing Douglas, now of Piqua, who undertook the active work of organizing, and to whom chief credit for the actual launching of the movement is due; J. Wilfred Iredell, Jr., and Collin Ford, of Cincinnati; Thomas H. Geer, of Cleveland, and William H. Dyer, now of Boston, of whom we rejoice to have Messrs. Douglas and Iredell present with us to-day, and to all four of whom we tender our heartiest wishes for a green old age, sweetened by the thought of duty done and service given.

The secretary is hereby instructed to send copies of this resolution to the survivors personally and to the families of those who have died.

Collin Ford appeared at a later session of the convention and his introduction was acknowledged by a great volley of applause.

Following came the reports of President Clark, Vice-President Edward A. Woods, Vice-President John Newton Russell, Jr., Secretary Frank D. Buser, Treasurer H. Wibirt Spence and Chairman of the Executive Committee Hugh M. Willet.

Millard W. Mack, chairman of the local general committee, then made a few announcements, after which Mr. Meiklejohn, of the Canadian association, spoke briefly and expressed the hope that the National Association might at some time in the future hold another joint meeting with the Dominion association.

The full reports of all the officers, with the exception of H. Wibirt Spence, will be found elsewhere in this number. This announcement will also apply to other extended addresses given at the following sessions of the convention.

At the conclusion of the report of Vice-President Edward A. Woods he presented the following resolution, addressed to James R. Young, president of the National Convention of Insurance Commissioners, which was then in session at Asheville, N. C.:

The National Association of Life Underwriters, now in convention, gratefully acknowledge the support State insurance officials, singly and as a national body, have always given the cause of relief of life policyholders from excessive, conflicting and unequal taxation. Your action in 1908 illustrates your stand for the protection and relief of the millions of policyholders you serve. Any further expression from your influential body just now, when both you and ourselves are assembled, would greatly strengthen our movement, to which we are unflinchingly committed, to continue unabated until completely successful, and our clients are freed from burdens unjustified by any good economic ground and which must be politically impossible. As policyholders—now more than a majority of voters—are informed and aroused, so we shall see to it they will be, until American treatment of its thrifty, provident, self-taxing insured citizens is at least as liberal as in war-burdened and overtaxed Europe, Asia and Africa.

Please wire us any new expression on this question you may adopt this session.

The resolution was unanimously adopted and immediately telegraphed Mr. Young, over the signature of President Clark.

The report of Treasurer H. Wibirt Spence exhibited total receipts for the year of \$11,885.78, with total expenditures of \$6,330.15, leaving a balance of \$5,555.65. During his term of service Mr. Spence had established an up-to-date system of accounting and auditing.

Frank E. McMullen, a former president of the National Association, introduced a resolution regretting the illness of former President Neil D. Sills, which was adopted and immediately wired to Mr. Sills.

The first feature of the afternoon session was an address by Dr. S. S. Huebner, Professor of Insurance and Commerce, Wharton School of Finance and Commerce, University of Pennsylvania. Professor Huebner's subject was "Life Insurance Education," and the speaker went into his subject thoroughly. The address was remarkably free from vague or impracticable theories. He held the undivided attention of his audience from beginning to end and was wildly applauded as he resumed his seat. On motion of former President Dohn Dolph, it was unanimously resolved to extend a vote of thanks to Professor Huebner, and the resolution also recited that the address should be printed in full.

Warren M. Horner, chairman of the Committee on Educa-

tion and Conservation, then delivered his report, after which there was a series of five-minute talks on "Work Accomplished by Local Association," under two heads, (a) Education, (b) Conservation.

Following this Mr. Horner announced that he would endeavor to answer any questions as to the work of his committee.

Former National President Hubert H. Ward was the first speaker in the discussion and the principal points brought out in his remarks follow:

I have heard Mr. Horner criticized in the work he is doing. That does not hurt Mr. Horner, because he is in a stratum above criticism. He does not answer his critics, but keeps on hammering away at this proposition. I have heard his plan criticized; but, believe me, this plan, or modifications of this plan, will live long after its critics are dead.

Education Makes the Difference.

But what is it that makes the difference between the United States of Mexico and the United States of America? It is education. We gentlemen who have been in the insurance business for a number of years have gone along the path, the Mexican path, of selling life insurance. But that is all in the past. Those are revolutions that have upset us in the past, and that have upset Mexico and the United States in the past, and are, so far as we life insurance men are concerned, things of the past, and we are now selling life insurance on the basis of the United States of America. The man who thinks he can stay in this business for any number of years and sell life insurance on the United States of Mexico plan is going to be forced out of it for two reasons. There are going to be too many men selling life insurance on the United States of America plan, and there are going to be too many people in this country buying life insurance who are educated on the subject of life insurance, and cannot be fooled as they were in the past. * * *

The papers read this afternoon have to deal with this educational movement—I refer to Prof. Huebner's paper. I got an idea from that paper which I would like to pass on if possible. We have to deal with legislators, to remedy some of the evils of life insurance. We have to deal with the general public through the church, and the club, and various means, to educate the general public. Some years ago, when I lived in Cleveland, I had occasion to want to get the ears of the legislators of Ohio, and throughout the various cities of Ohio we gave luncheons to the county delegations prior to the election, first the Democratic and then the Republican, and after the election to those who were elected, in order that we might present what we wanted to those legislators before they got down to Columbus. On that basis we won.

Watch the Legislators.

My suggestion would be that some of these city associations watch the legislators, that they give dinners and luncheons to the legislators before they assemble at the general assembly. In that way you get their ears on the subject of life insurance before they get into that mob of log rolling, for you can not pump things into the mind of a legislator, particularly if it is his first legislature, if you cannot reach him beforehand.

On the subject of life insurance, then, give a luncheon to your minister; let your association get up some luncheon, and let these ministers understand that it is no company talk, but that it is to be a general proposition of educating them on the subject of life insurance, in order that they may present the subject of life insurance, that they may present sensible, reasonable arguments for life insurance.

These are merely some of the ways in which this idea of education and conservation of life insurance may be put in force by you if you will only serve.

Edward A. Woods stated that he recently had a conversation with his neighbor, Mary Roberts Rinehart, on the sub-

ect of "Human Interest," that thing which underlies the entire business of life insurance. Mr. Woods stated that he would not be surprised to some day find a story in *The Saturday Evening Post* upon the subject of life insurance. "If we could find," said he, "the story that is in every piece of life insurance business we would find that we could continue irrespective of newspaper advertising and could get more and more publicity on the part of the newspapers without any suggestion of sponging upon them."

William King, of the St. Louis association, said:

I am going to review last year's work to show something that St. Louis has accomplished to support this movement. First, you have heard something of the work in the schools on the part of the educational committee of the St. Louis association, and I am told that the St. Louis University will put a life insurance course in its curriculum. We have heard of the church. We already have the moral support of every prominent minister in St. Louis to set aside one Sunday this coming fall as an "Insurance Sunday," so that from the pulpit of every church insurance will be taught. In addition to the regular program we have had made four talks before representative bodies of business men in St. Louis, one being before the St. Louis Credit Men's Association.

A. C. Bigger, of Dallas, Texas, told how the executive committee of the Texas association, assisted by the companies, collected a special fund of approximately \$1,000, which was used for education purposes.

Good Work in Philadelphia.

Secretary Frank D. Buser mentioned the series of "Human Interest" stories which had appeared in the *Philadelphia Evening Telegraph*. He called attention to the fact that forty-nine such stories had been published without cost to the association.

Maurice Stearns, of Providence, R. I., declared that a non-partisan campaign of advertising in Providence was meeting the expectations of those who had contributed to the fund.

"The great educational movement," said J. W. Bishop, of Chattanooga, "launched by Mr. Horner two years ago, has had wonderful success, and I predict that the movement will continue to gather momentum, and that our most sanguine hopes shall be realized."

W. D. Mead, of Seattle, brought to light an advertising campaign of thirteen weeks in Seattle, where only \$162.50 was spent in obtaining advertisements in the *Post-Intelligencer*. He also mentioned the fact that as a result of that advertising could be directly traced the placing of \$40,000 of life insurance.

J. Edward Meyers, of Minneapolis, brought the discussion to a close by making a vigorous plea to those interested in the work to go home and do some work in support of the proposition. Action was then called for on the recommendations of the executive committee as submitted on the morning session. The recommendations were under three heads, the first being as to the election of six new associations:

New Associations.

Lansing Life Underwriters' Association, Lansing, Mich.

Kalamazoo Life Underwriters' Association, Kalamazoo, Mich.

Battle Creek Association of Life Underwriters, Battle Creek, Mich.

Jacksonville Association of Life Underwriters, Jacksonville, Fla.

Davenport Association of Life Underwriters, Davenport, Ia.

San Diego Association of Life Underwriters, San Diego, Cal.

A second recommendation advocated the consolidation of the Education and Conservation Committee with the Press Committee, both locally and nationally, while the third section was to the effect that the National Association could not approve the application of any association in any city where a regular association affiliated with the national body had existed prior to the application of the second local body. All

these recommendations were approved and adopted by the convention. The session was brought to a close by the appointment of a nominating committee.

Little time was lost in getting down to actual business on Wednesday morning, the second day of the convention. President Clark introduced Hon. Senator Lawrence Y. Sherman, member of the United States Senate from Illinois. Mr. Clark briefly mentioned the interest Senator Sherman had taken in reference to reducing the unjust burden of life insurance taxation. A great ovation was given the Senator at the close of his address, and Edward A. Woods offered the following resolution, which was unanimously adopted:

The National Association of Life Underwriters, in convention assembled, records its appreciation of the able support accorded by Senator Lawrence Y. Sherman, of Illinois, to the cause of relief of American policyholders from an increased burden to the heavy one now borne. His brilliant championship of their cause has been nation-wide in its influence and the example set by so eminent a public man must continue to be far-reaching. His characterization of the institution of life insurance has been keen and incisive and his portrayal of its relation to society and what should be that of the State toward it has never been excelled in keen analysis and terse diction. His service to the great institution of life insurance with its twenty-five millions of present policyholders and its increasing future army deserve their hearty and active support of Senator Sherman that it may be known that those who obey and so effectively espouse their interest will be practically appreciated and that other public men may be encouraged to likewise champion our cause.

Following this, Vice-President Woods presented his report as chairman of the committee on taxation.

John Dolph moved the adoption of Mr. Woods' report and incorporated with his motion a clause to the effect that a legislative committee should be organized to take up the work of relieving life insurance from the burdens that are really outside the jurisdiction of other committees. The motion was carried.

President Clark then turned the chair over to Hubert H. Ward, who conducted a series of five-minute talks on "Necessity for Action in Matters of Insurance Legislation by Life Underwriters' Associations." However, previous to the five-minute talks John Dolph delivered his report as chairman of the committee on legislation. According to the speaker, only fifteen lawmaking bodies met during the year, as against fifty-four in 1913. The number of measures introduced during the past year affecting the business of life insurance whose phraseology necessitated close scrutiny for possible amendments was 483, as compared with 2,240 in 1913. In conclusion Mr. Dolph said:

Report of John Dolph.

If you will permit us to extend the scope of this report a little beyond a general review of the activities of the various legislatures and life underwriters generally in matter affecting legislation we would like to say, we believe the time has arrived when an aggressive campaign should be inaugurated to reduce the heavy burden now unreasonably and unjustly borne by the policyholders. In the light of the change in public sentiment, resulting largely from the publicity obtained by the forceful exposition of the subject in the United States Senate by Senator Sherman and the unselfish and energetic efforts of the very able chairman, we think we are confronted by opportunities for sane and practical legislation, that should not be slighted or overlooked.

On the whole we have reason for congratulation in

that the legislative attacks on life insurance were considerably less than in the few years immediately preceding. We can indulge in the hope that this forecasts less trouble in the future. It may be that the combined forces which are charged with the trust of defending the policyholders' interests, of which this organization is an important factor, are making substantial inroads on ignorance and prejudice, and that conditions will continue to improve. It is possible, on the other hand, that the twin enemies are getting tired and are devoting their attacks to other lines of lesser resistance. In any event, however, it behooves us to take nothing for granted, but to keep up the watchfulness which has enabled us thus far to be of real service to the great institution of life insurance with which we are proudly associated.

A condensed symposium of the remarks of the speakers on the subject under discussion follows:

Association Must Act.

C. J. Stern, Cincinnati, Ohio.—If there was a doubt in the mind of any of us of the necessity of association that doubt was removed this morning by Senator Sherman. The individual will not act. The association must do it. The life insurance associations must not only endeavor to have changed obnoxious laws but must have an active law, wholesome and just, of legislation. Actions of this kind to be successful require organization, preparation and numerical strength. Our local and national associations have organizations. They are prepared to such a degree that it can soon be completed, but in numerical strength we are weak. Our standing army consists of men engaged in the life insurance work and their number is small comparatively. We must call upon the reservists to augment our numbers, and these must come from the ranks of the insured. He does not know his rights and does not recognize the dangers threatening his property rights and hence will not defend them. What they need, this great insured, is injection after injection of the serum of publicity, and when you have trained them to that degree you will have a volunteer army that will sweep into your camp as an ally the Legislature which is now your oppressor. Follow the example of the labor unions and the fraternal. Elect insurance men to your legislative bodies.

C. A. Moore, Topeka, Kan.—Some time this fall, instead of having a small meeting and entertaining probably two or three hundred of our leading citizens, the Topeka association is going to have a meeting, with taxation as our subject, and we are going to fill our auditorium, that will seat between four and five thousand people, and every man and woman at that meeting will be a policyholder. If we are not fortunate in being able to secure the services of Senator Sherman of Illinois on that auspicious occasion, some one who will be able to reach the furthestmost corner of our auditorium will have his very able address to give to the policyholders meeting in Kansas. I do not believe that we can add any one measure that would have the far-reaching effect of this plan.

Shuff Becomes Serious.

John L. Shuff, Cincinnati.—The problem of legislation is one well worthy of consideration. If an insurance man cannot in some measure control a State legislator or a State Senator he should not be entitled to a rate book. Then, too, we should not ask of a Legislature anything we would not vote for if we were a Legislator. We believe that the average man in public life is honest, although some one on the outside may be trying to get him to do a crooked thing. I believe that the Legislature can to some extent be controlled by the local insurance man, because the active, clean insurance man knows more people than any other man in the community. I believe that the problem of the Legislature is one of the most important before the convention and it is up to us to go to the candidate and find before

time what his sentiments are.

Secretary Frank D. Buser.—One thing I want to leave in the minds of the delegates. It is all right to attempt to control the minds of the legislators after they have been elected. You may then be able to get them to support measures you want; but the fact is that they want your support at the election, and the time to tackle them is before the time comes. This is the only practical way. When you leave this convention do it with the idea that a legislative committee will see your public men before they are nominated. Then you will get action.

J. E. Meyers, Minneapolis, Minn.—The fault is that when we want laws we get down on our knees and beg the legislators for them, then abuse them. This is a serious problem, because State legislation is coming, and some may be left worse than in 1907. More legislators are honest. They are of the people, but most of them, not only in Congress, but in forty-eight States, have the insurance bug in their heads. The thing to do is to prove that we are working in the interests of the public, for the policyholders are part of the public. What public interest are you taking? When do you ever see a life insurance man working for the interests of the public? When you begin to take an interest in the public, the public will take an interest in you.

Trust the People.

W. E. Bilheimer, St. Louis.—There may be some little danger that some of us may get the wrong idea of the necessity of appealing to the legislators. I beg to go back to Senator Sherman's speech for a moment, and present the reason as he presents it for his being interested in our behalf. He loves justice. We should all, when we leave this convention, bear well in mind his remarks about old political methods disappearing. Also our old insurance methods. The American people can be trusted. When we go back to our fight for lesser taxation, let us go with the thought in mind that we are fighting for the right and that only clean methods will win out ultimately. We must trust the people and know that God is with us.

Next in the order of procedure was the announcement and reading of the prize essays on the subject, "Woman's Interest and Influence in Life Insurance." According to the report of Mary Roberts Rinehart, chairman of the Committee on Award, the essay first in merit was submitted by John R. McFee, of the Chicago association. Second place was given to R. O. Miles, of the San Francisco association, and honorable mention was awarded to Forbes Lindsay, of the Los Angeles association.

Prize Essay Contest.

President Clark read the report of Mrs. Rinehart, and President Orville Thorpe, of the Texas association, presented the Calif loving cup to Mr. McFee. Mr. McFee read his essay, and so far as delivery and subject matter was concerned it was conceded to be one of the most excellent papers ever submitted in annual competition.

R. O. Miles, the winner of the Williams Base, was detained because of sickness in his family, and as it was about time to adjourn the reading of the essay was deferred until the afternoon session.

After adjournment all delegates, alternates and guests proceeded to the roof of the Hotel Gibson, where motion pictures were taken.

At the beginning of the afternoon session telegrams were read from Herbert C. Cox, John A. Tory and Mrs. Florence A. Shaal, all of whom conveyed their regrets at being unable to attend the meeting.

Frederick A. Savage, of Baltimore, who had been selected to read the second prize essay, moved that the reading of the essay be dispensed with, inasmuch as the session would be a very busy one and as the essay would be published in LIFE ASSOCIATION NEWS and in the bound copy of the convention proceedings. The motion carried.

At the request of President Clark, Hubert H. Ward then

sumed the chair to conduct the five-minute talks on "Agency System" under four heads, as follows:

- (a) Standards of Qualification for Agents.
- (b) The Training of Agents.
- (c) Proper Service to Policyholders.
- (d) Time Accountability and Systematic Reports.

Mr. Ward called upon Edgar Smith, of Portland, Ore., who is 26 years of age and whose agency writes over a million year. Mr. Smith maintained that there were three standard qualifications for agents; seriousness, enterprise and uprightness. He placed much emphasis upon the advantages to be gained in looking after the interests of old policyholders.

J. E. Walker, of Lansing, Mich., told of the success he had gained in building up an agency. He claimed that the life insurance business and agency building, if it is properly handled, is not a hard proposition.

A System with Good Results.

One of the most valuable contributions to the discussion is that of L. H. Whiting, of Chicago, which was as follows:

I just wanted to give a few of the points that we use in practical training in one Chicago department. The Illinois Life started a system of taking young men and training them in the life insurance business. I heard yesterday a number of points about taking young men from colleges and universities and high schools and developing these young men in the life insurance business, and making successful salesmen of them. Our plan is not entirely new or unique, but up to date has been successful, and we have not had a great deal of difficulty in keeping men in the business under this plan. A number of men who have been in the business less than a year, some of these men have produced more than a hundred thousand in their first year.

How It Is Done.

The system is worked in towns of eighteen, twenty, twenty-five and thirty thousand and such smaller towns; I say smaller towns because the men originally worked in these towns and were afterward placed in the city of Chicago. Take a young fellow with good connections, a good, clean-cut sort of a fellow that you can trust; take him to a town the size of Joliet, Decatur or any town of eighteen to thirty thousand. Take six, seven, eight or ten men with you, then go to that town and get the retail credit men's guide, or a voting list, or if you can get nothing else, the city directory. Make a list of the streets which you wish to canvass, and take a card system and card these streets. Then take a credit guide book if you have it, and look over a man's credit, sometimes to take his note for thirty or sixty days on men who are perfectly good. Say you start on Monday morning at 8.30; have a meeting and take up some point of life insurance contracts that they must know; then give a man twenty-five cards for the day in one lot. He will get out of that on an average about six good interviews in the same block or two blocks. I have found that the young men 22 to 25 years old sold about one out of the six interviews. They average about \$30 a week from the time they started, and I think we only lost two men out of the first twelve we used. Now in Chicago we started out and took the voting list, that being the only list which is complete, and worked on the same system, having agency meetings in the morning, and bringing up points which interested the men. It worked successfully, and we paid no fellow in this training period more than \$15 a week. We held agency meetings only on Monday mornings from 8 to 10; they were addressed by three or four of the older men of the agency, and then short talks on points which would help them, and then they went out with cards given to them with certain prospects. Part of the prospects were obtained from an advertising campaign which our company carried on, and a greater portion were obtained through policyholders we already had, and then a great many were obtained through personal information of the

manager of the office, who belonged to the Association of Commerce, from a labor union list, from paymasters' lists, and still better than that, we took all the trade journals, which would have information as to the advancement of men as superintendents or foremen. When we found out that a man had been promoted from foreman to superintendent of a railroad shop, we would write him a personal letter stating that our salesman would call on him, and as he had had an advance in salary, he would probably like to increase his insurance. That plan has been successful, and we are going to make it still larger, working in some other new innovations. In this way you can overcome a great many of the losses you incur in training young salesmen.

Standpoint of Solicitor.

Charles J. Stern, of Cincinnati, considered the matter from the viewpoint of personal producer rather than that of an agency manager. He considered the standard qualifications for successful agents should be good moral character and standing in their respective communities. Next came honesty of purpose and persisting in the execution thereof. To this should be added a knowledge of the business and squareness in dealing with fellowmen, be they policyholders or competitors.

Guy Withers, of Seattle, was the next speaker. Mr. Withers made a profound impression upon his audience, not only during the discussion of this subject, but on several other occasions. During this discussion he took up the idea of service, and said in part:

The Idea of Service.

I have known a doctor to write a prescription and then lend a man the money to get it filled. These are heights which some are going to attain, but which some of us will never find, but service to policyholders just means that; and to the man who has missed that big idea, there is no use in talking about service to policyholders. I know a life insurance man who lent a fellow the money to pay the second premium on a competitor's policy, that he could not honestly advise him to lapse. Now that is service. When you have got that in your heart, the details of service to policyholders are easy and the matter of keeping in touch with them is no longer difficult of accomplishment. I put in an awful afternoon trying to insure a man one time, and I could not understand what was the matter, but the next morning I noticed in the papers that his attorney was filing suit for a divorce against his wife. I had not touched top, bottom or sides—I just floated round. He knew all the time what was the matter with me, and the next morning I found out. A man who has made good in my agency this last year has three different, specific engagements with his policyholders every year—on the birthday, on the day when he collects the premium, and once when he can go and say, "I just came to find out about you and see how you are. I am making an official call as the representative of my company, that is not at all satisfied with simply writing your insurance." He is going to make the great law of service, of fellowship, apply right there, and he does not talk new business at all. Now the strange thing of it is here: It is not strange either, for virtue is always its own reward—but that third interview gets him more new applications than any other, but if he went out with that application in his eye, instead of the service idea in his heart, he would never get anything, and it is the heart thing that is necessary to reduce our business to a professional service—to get out of our own mind the necessities for gasoline, and clothes and things like that. I have recently been engaged in a policyholders' campaign for the concern I represent, and I have had the utmost satisfaction in the two months' campaign. Once I put in six mortal hours over a rough mountain road to find an old German couple, and he said, "I have not seen a man of the company I bought of twice in sixteen years, and I am so glad to see you," and he took me in to a good supper.

His wife said, "Be sure to come next month. My boys will be back." I forgot all about the hard road, and I am going back.

Millard W. Mack advocated justifying commissions by the service rendered. Following will be found a transcript of the remarks of Winslow Russell, superintendent of agencies of the Phoenix Mutual:

The chairman started this discussion by saying that he was going to begin with the young men, and six have spoken since that time, the inference being that we are now along in the class of the old men. I had some notes that I was going to use this afternoon, but I guess I will cast them aside and not use them, and just give you two or three personal experiences to illustrate what I believe to be one of the greatest things in the business. That is in the selection of the agents. I was asked to go to Syracuse last spring and speak at a meeting, and in order that I might know what the business men of Syracuse thought about the life insurance agent, I selected very carefully manufacturers, bankers, lawyers and merchants—two hundred and thirty in all, and sent them a blank, asking them not to put their names on it unless they wished to, and asked the following questions:

Winslow Russell's Survey.

Have you any prejudice against the profession of life insurance salesmanship? If so, why?

Do you consider the average solicitor of life insurance in your city, as you know him, a good salesman? If not, why?

Are your prejudices against the business based on any negative response?

What suggestions would you offer to make the business of selling insurance a success?

The Answers.

We had sixty-two responses, of which twenty-eight were negative, and I used these negative responses, I hope, for the benefit of the managers, in bringing to bear on them what the keen business men of that city thought about the life insurance agent. More recently, as a result of some advertising, we had a list of answers from a considerable number of keen, successful sales managers in other lines of business, who had been attracted by the ad., and it did say life insurance in the ad. There were some twenty-five or thirty of these men, who, when life insurance was mentioned to them in response to their replies, nothing further was heard from them, and a letter of this kind was sent: "We are seeking to locate the reasons which deter many successful men from entering the ranks of the life insurance profession, and are earnestly working to overcome these objections. You were good enough to respond to our advertisement, and in order that we may know something of the reasoning which led you to drop the matter, you will render us a very great service if you will complete the enclosed blank and return at your convenience." Practically every response, nearly all from college men and successful sales managers for large concerns, said the same thing—that he had either a mild or a strong prejudice against the business of selling life insurance, and the reason for it was that the men in the business were not successfully trained to present the business. Every man says just the same thing: Be more careful in the selection of your men, and be more careful in training them, so that when they go out to sell life insurance, they will keep it up on the plan you want it to be on. Therefore, the first standard is to be mighty careful about the selection of the man; select him only after he has been a success in the business he has been in—not because he is disloyal, or disgruntled, or a scalawag from some other company. If this thing could be put into effect, I would not take, except in rare instances, the representative of another company. He is usually either disloyal, disgruntled with his company, or a scalawag. Another qualification that I would make

for that man would be to pass any test that might be necessary in a complete investigation of him, before he goes to work, and to receive no commission whatever on life insurance until he could pass some kind of a test before a well organized committee in that city, before he could become a part of the organization of that city.

J. W. Bassford, of Cincinnati, Ohio, was of the opinion that successful agency management called for reciprocal business relations between managers and solicitors, "in other words," said he, "every man should strive after success and progress, but not to the detriment of the man who helps you to succeed. I also believe that if that is the motive and underlying principle that attracts the manager, the same principle will also be promulgated in the agents under his management, and the agents under his management will take that same principle and promulgate it in their everyday work."

Contract Belongs to Family.

D. G. C. Sinclair, of New York, had this to say:

With regard to our services to those we insure, in the first place, have them understand that their contract does not belong to them. It belongs to their family. We are at a period when men are borrowing on their contracts in order to invest in other securities. This is a practice which must be stopped. Our services to policyholders ought to continue year in and year out. We ought to call on them two or three times a year. The best way to get new business is through our own satisfied policyholders. I have seen numbers of card systems, but the best card system is to keep in touch with our policyholders. I find that by keeping in close touch with them I get the son-in-law and the boy who is coming of age. In this way we are their insurance man as they have their lawyers and doctors. When they die and the claim papers are made out, our interest should not cease. There is a class of men who are constantly robbing the widows. They are the undertakers. You and I can remedy this to some extent. We advise the widows not to spend foolishly and to invest only in safe securities.

McMullen Gives His Views.

Former National President Frank E. McMullen took the technique of Agency System and said:

A good deal has been said about service, all of which is necessary. I have a little to say about having the policyholders serve you in helping you to secure additional business. I assume all of you have a daily report system and some sort of prospect bureau. If you have not, you should have. I have a prospect bureau in charge of a prospect clerk. Every one of my agents turns in his prospects to that clerk. These are kept in file and brought up the following morning. Then I keep a classified index of policyholders. I classify them very much as you would find them in a business directory, under the heads of wholesale dry goods, groceries, doctors, lawyers, etc. I find I have about a hundred classifications. All my men work in harmony, and none is allowed to take advantage of any information he may have received interfering with another agent's prospect. The point is that we are able to turn almost instantly to every policyholder and bring the influence of that policyholder to bear on a new client.

William C. Johnson, vice-president and general manager of the Columbian National Life, and for many years prominent member of the New York association, said:

I will give you two thoughts from my personal experience about the training of agents. I believe if we are going to train agents, we have not merely got to train them in the business, but to train some agents out of the business. In listening this morning to the address of President Clark, I noticed that he recommended that steps be taken to drive out of the business those men who lie, misrepresent, etc. I trust very much that this body, before it adjourns, will take some defini-

ite action upon his recommendations not to train unworthy men in the business, and to turn out of the business men who reflect discredit upon it.

V. E. Billheimer, of St. Louis, made one of the great dramatic hits of the day. An orator of remarkable ability, there was hardly a dry eye in the convention hall when he concluded his talk by saying:

You all remember the Titanic disaster, the story of Archie Butt; of how John Jacob Astor put his wife, hardly more than a bride, into a boat, and then placed beside her a woman from the steerage, speaking an alien tongue. You remember the story of the brave band of boys. Well, the message they gave to the world is the message of our business, "Women and Children First."

Others who contributed substantial support to the topic for discussion were Julius Jonas, of Minneapolis; Orville Corp, Dallas, Tex.; Bolling Sibley, Memphis, Tenn.; F. H. Patton, Boston, and C. T. Brockway, Syracuse.

Charitable and Philanthropic Bequests.

The second topic for discussion at this session was "Utilizing Life Insurance for Charitable and Philanthropic Bequests," sub-divided as follows:

- (a) Educational Institutions.
- (b) Religious Organizations.
- (c) Charities.

As the hour was growing late, Mr. Ward announced that the time limit for each speaker would be strictly adhered to. Excerpts from the principal talks follow:

L. BRACKETT BISHOP, Chicago.—So far as I have observed, there has never been very much done by the life insurance companies for the educational institutions. I just want to tell you of one experiment that has recently been tried. One of the agents of the Massachusetts Mutual has recently insured the entire senior class of Williams College of Massachusetts as a bequest of the college. There were 125 men in the class, and each one took out a \$250 twenty-year endowment policy, costing from \$9 to \$10. It is likely that out of the 125 policies about 100 will go through and that will be a contribution of \$25,000. Dividends will be issued to keep up the premiums of anyone who may lapse. All over the country are colleges, and this seems a very practical way to benefit colleges. I simply speak of this fact in the hope that it may contain an idea new and inspiring to you who are listening.

Y. M. C. A. Coup.

LAWRENCE PRIDDY, New York.—Some years ago I made up my mind that something more should be done for the secretaries of the New York Y. M. C. A.'s than had heretofore been done. I called on several men in connection with the board to try to persuade them to buy endowment life insurance for the secretaries. After four or five years' interval I finally got them to the point of thinking seriously on the matter. There were 487 men, to be exact, to be called on in reference to the matter. The deal was finally consummated, and a commission of seven or eight thousand dollars was made out of the project.

E. A. WOODS, Pittsburgh, Pa.—With regard to the utilization of life insurance for charity, people thought that they had heard of every possible scheme projected to encourage bequests. Yet the one of life insurance has been absolutely unknown to most. Life insurance men have been most derelict in putting it before the public. I have prepared a little booklet on reasons why life insurance can be most advantageously used for bequests. We have long since outgrown our own country in the way of life insurance, and we are colonizing now. Let me suggest this: The very finest people in your community, the richest and the most humane, are interested in charity. No very single one wants more money for his charity. You cannot do a better service to your community, and you cannot in any better way advertise the advantages of life insurance, than by showing how life insurance is the best way of helping charity. In the ordinary method of leav-

ing bequests to charitable institutions, there are so many strings tied to the bequest that it is practically impossible for the institution to realize any real immediate good. But life insurance is clean-cut, immediate cash. Life insurance leaves no encumbered bequests.

CHARLES JEROME EDWARDS, New York.—Regarding agency system and standard of qualifications of agents, the question is not alone how to get the best agents, but how to clear up the field of life insurance. Most of us know that we have had to encounter many new men who are disturbed by criticism, or by what some other agent may have advanced in the way of argument or made in the way of promises. That is the problem that is most disturbing to the new agent. Such an agent cannot continue unless someone is willing to keep him at work. The question is, whether the general agents will permit themselves in the future to put under contract and to accept business from men whose reputations in the past have not been satisfactory. We want to see less of this type in the future. I appreciate the fact that all the reforms in life insurance have been largely the outgrowth of agency development on the part of the agents themselves.

By resolution introduced by Lawrence Priddy, of New York, it was resolved that annual banquets should be held on the evening of the second day of future conventions.

Edward A. Woods Offers Prize.

Vice-President Edward A. Woods offered an award of \$25 in gold for the best selling argument presented in three minutes. His offer was unanimously accepted with a vote of thanks.

President Clark announced that Secretary R. E. Ferguson, of the Toledo Travelers' Life Insurance Co., had presented the National Association with a cut glass pitcher and six cut glass tumblers as a token of cordial good will, to be used at the speakers' table at future conventions. The cut glass service was accompanied with a handsome morocco case. A motion was made and carried unanimously that a vote of thanks be tendered Mr. Ferguson in behalf of the association, and that the secretary be authorized to convey these sentiments to Mr. Ferguson.

The executive committee held a meeting just prior to the regular Thursday morning session of the convention and adopted a number of resolutions. Owing to difficulty in getting the resolutions typed it was necessary to make a slight change in the program. President Clark read a message from the Hon. William H. Taft on "Opportunities for Service in the Conservation of Life and Health by Life Underwriters."

Hon. William H. Taft's Message.

The next speaker was President Elmer E. Rittenhouse, of Life Extension Institute, whose address was upon this subject: "Opportunity for Social Service by Life Underwriters in the Field of Life Conservation." A vote of thanks was accorded Mr. Rittenhouse, and the secretary was authorized to write a letter of appreciation to Mr. Taft. On motion of Millard W. Mack it was unanimously resolved to extend a vote of thanks to the Cincinnati *Inquirer* in connection with an editorial which had appeared in that morning's edition of the paper.

As the report of the executive committee was not then ready, it was decided to defer it until the last matter to be taken up at the morning session. At this point, J. Edward Meyers presented a resolution to the effect that the convention set aside a period not to exceed two hours at its next convention to discuss the imminence and danger of State insurance, and that the program committee arrange a session dealing with the question. This was referred to the executive committee, to be reported upon later.

President Hubert H. Ward took the chair at the request of President Clark to conduct a discussion of "Business Insurance." The first speaker was former President Charles W. Scovel, who was given twenty minutes. Mr.

(Continued on page 11.)

Life Association News

A MONTHLY JOURNAL DEVOTED TO THE INTERESTS OF ALL
LIFE INSURANCE AGENTS.

PUBLISHED BY THE
NATIONAL ASSOCIATION OF LIFE UNDERWRITERS

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ARTICLE II OF THE CONSTITUTION.

"The object of this association shall be to advance the best interests of the cause of true life insurance."

Address all communications to

EVERETT M. ENSIGN, Editor and Manager.

Telephone, 4244 John.

LIFE ASSOCIATION NEWS, 56 Pine Street, New York City.

This newspaper is owned by the National Association of Life Underwriters, unincorporated, a voluntary association; Hugh M. Willet, president, Fourth Nat. Bank Bldg., Atlanta, Ga.; J. Henry Johnson, secretary, Lee Bldg., Oklahoma City, Okla.; H. Wibirt Spence, treasurer, 306 Penobscot Bldg., Detroit, Mich.

SUBSCRIPTION PRICE \$1.00 A YEAR IN ADVANCE.

MEN WITH IDEAS.

In all great movements there are great leaders. And the National Association of Life Underwriters is no exception to the rule. In all great movements with great leaders there are men who resent the influence exerted, and the prominent positions attained by the leaders. And the National Association of Life Underwriters is no exception to the rule.

It is because of such circumstances that we occasionally hear in association circles rumors of "Political Star Chamber" proceedings, "Slate-making," etc. There have been instances of where some individuals perhaps with good intentions, but greatly misinformed, considered himself as divinely appointed to "break the slate," and after buzzing around found that there was no slate to break.

Those who have risen to prominence in the work of the National Association have not gained their position by wire pulling. We are pleased to observe that *The Western Underwriter* had this idea in mind when it said:

Free expression and opportunity have been given to men with ideas. How quickly a man with something of real value to contribute to the cause is given his place. It would be hard to show that anything that is for the good of life insurance agents has not been seized upon with avidity. It is a fortunate thing for the agents that a considerable number of men who would bring a high figure in any ability market are willing to make the life underwriters' association and its work their hobby. So long as they continue to pursue the course of splendid development, which the association is now following, they will not be much criticised for trying to keep the organization and management a harmonious and congenial body capable of doing things.

If proof is required as to the proof of these statements, consider the case of Warren M. Horner: Mr. Horner had a big idea well in advance of the time he became actively identified with the National organization. The officers of the National Association invited Mr. Horner to explain his proposition, and subsequently welcomed him and his plan for Institutional Advertising. Edward A. Woods had a message to deliver to the Life Insurance fraternity, to the public and our lawmakers and law-making bodies: the result was an aggressive campaign against Life Insurance taxation. It so happens that both gentlemen would be conspicuous figures in the Life Insurance world whether or not they were members of the National Association. Their prominence in the National body, however, is due to the value of their respective propaganda. While using these two cases simply as an illustration to our argument, it might be well to congratulate ourselves that we have these two big men to give direct attention and supervision to two immense problems.

Therefore it cannot truly be said that politics enters into the work of the association. Always an e

port is made at every election to elect officers who are geographically located to accomplish the best results. At the present time it should be noted that the president is located at Atlanta, Ga. One vice-president is at Pittsburgh; another vice-president is on the Pacific coast—Los Angeles; while the third vice-president is in Canada. The chairman of the Executive Committee is located at Hartford, while the secretary is at Oklahoma City, with the hired man of the association in New York and on the job every day of the year.

Indeed, the association is one of the most democratic organizations of which we have knowledge. Members of the Nominating Committee are appointed by the various delegations; consequently, vote-making is practically impossible. It was generally understood that no resolution could be considered by the convention unless it had previously been reported upon by the Executive Committee, and the question was the cause of more or less misunderstanding at Cincinnati. How this impression ever prevailed even among the officers of the National organization cannot be answered, but the fact remains that, on motion, either without reference or without report from the Executive Committee, the convention itself can take up for immediate consideration and action any business except an amendment to the Constitution or by-Laws.

This in itself is the very essence of democracy, and should prove conclusively that every man has a fair chance to state his case at a National convention, and that no man nor group of men can silence him.

CLOSE PERSONAL TOUCH.

Twelve years ago, when the National Association held its annual convention at Cincinnati, the following legend was adopted as succinctly expressing the keynote of the association movement: "May we all be benefited by the comradeship which comes from meeting face to face in the right kind of spirit, men with whom we differ—by getting into close personal touch with them and gaining the proper respect for the opinions and purposes of others whose aims are identical with ours."

That this sentiment has lost none of its value in twelve years was attested by the fact that it was printed in large letters and displayed on a board at the rear of the speakers' platform at the recent convention in Cincinnati, where it could easily be read by everyone in the hall. A period of twelve years works many changes, but the fundamental principles of the National Association are the same to-day as they were at its first convention in Boston.

"We gain nothing," said Lamb, "by being with such

as ourselves: we encourage each other in mediocrity. I am always longing to be with men more excellent than myself." Isolation, whether physical, mental or spiritual, generally means mediocrity, and often indeed it spells degeneracy.

In taking an inventory of ourselves as efficient men of the business world, a fairly accurate rule to follow is to deduct for depreciation that which would be equivalent to our ratio of personal isolation from our fellow men.

Development of personality demands a judicious exercise of our natural gregarious instincts. Fraternization is the most natural thing in the world, and the man who gives the lie to this God-given impulse immediately ceases to expand and develop.

THE CONVENTION STORY.

(Continued from page 9.)

Scovel discussed the subject from three viewpoints—through life insurance assets; through the current distribution of life insurance funds, and through its specific contracts to a particular business concern.

W. D. Mead, of Seattle, Wash., said in part:

In speaking of the value of insurance as a business asset, let me give as an illustration the case of Charles H. Lilly, of the firm of Charles H. Lilly & Co. at Seattle, who told me that he took out life insurance, first, last and always to build up his credit. In 1886 he took out a \$1,000 policy, and kept on putting his profits in those days into insurance. Five years later he had \$100,000 worth of life insurance. At the time of the disrupting of business of a prominent concern in Seattle, Lilly went to New York in order to raise funds with which to take over the business of the dissolved concern, and was able, on the strength of the life insurance which he carried, to procure the necessary funds. To-day Lilly is the flour king of the Pacific Northwest. He carries \$550,000 worth of business credit insurance. These are the days when Dun and Bradstreet are watching men engaged in all business and professions, and it behooves us to take care of those contingencies which may arise in any business. Mr. Lilly admits that the success of his business career is due to his insurance.

Edward A. Woods said in part:

On the question of business insurance it is not alone the big corporations need such insurance. How about the butcher in the little town, in partnership with his son? How about the grocer? The time is coming when insurance on the partnership of the smallest firms will be just as much expected as insurance on their furniture or on their stock. Get your little agents into this game. The \$1,000 policy is just as necessary for the small concern as is the big policy. Let us get it out of our heads that income insurance is only for the big ones.

"Business," said William King, of St. Louis, "is any legitimate project carried on for the purpose of deriving a profit. Business life insurance is a method of insuring the results of any project carried on for profit. Notice that the definition includes action. Action means men. What is every business man working for? Profits. What are profits? Profits are the difference between the cost and selling price. What are the costs? You tell me at once, 'costs of raw material, cost of manu-

facturing, cost of selling, overhead, depreciation.' Depreciation of what? It is a simple matter to charge off the depreciation on your machines, your buildings, etc., but greatest of all, there is the brain power of your men. Must not the value of your men be calculated in any system which proposes to gauge exact cost? Why is it that so many business men die and leave no estate? Why is it that so many men fail? Is it not because their goods have been sold for less than cost?"

Other underwriters who contributed valuable ideas were C. B. Rudd, of Evansville, Ind.; W. E. Bilheimer, St. Louis; J. J. Jackson, Cleveland; J. F. Usher, Cincinnati; Geo. Hawkins, Indianapolis; W. A. M. Smith, Portland, Ore.; W. E. Osborn, Indianapolis; E. G. Simmons, New Orleans.

President Clark then resumed the chair, and at his suggestion Hugh M. Willet, chairman of the executive committee, read the supplemental report of that committee. The committee reported favorably upon the following resolutions, all of which were adopted by the convention:

(1) Resolved: That it be the sense of this convention that each and every delegate regard the requests made by our secretary as mandatory. That each delegate consider himself instructed by this convention to use his endeavors to have his particular association follow the requests of our secretary, especially on two counts, as follows:

First: That each association shall so arrange the date of its annual meeting that it shall be held in either the month of January or February.

Second: That each delegate shall take it upon himself to see that the secretary of his own association reports each meeting of his association to the Life Association News as promptly as is possible, so as to avoid the delay mentioned by our National Secretary, and bring each association into closer touch with the National body through its official organ.

Offered by Frederick A. Savage, Baltimore.

(2) CO-OPERATION FOR CHARITABLE PURPOSES.

WHEREAS, The cost of dependents and delinquents, particularly dependent widows, orphans and aged, and those delinquents because left destitute at their parents' death, is one of the great problems of modern society, and

WHEREAS, The prevention of these conditions is far better than caring for their consequences—already an enormous burden to society; and

WHEREAS, Both State and private, as well as corporate, philanthropy and charity are vitally interested in every means of diminishing this vast burden on all society and the State; and

WHEREAS, A notable diminution of property, dependency and delinquency has occurred since such institutions of thrift as life insurance, savings banks and building and loan associations have been organized; and

WHEREAS, Many foreign governments, because of the aid to society and State afforded by life insurance encourage it by reduced taxation, exemption from all taxation, or even compulsory governmental insurance, aided by governmental appropriations as in Germany, England, Italy, etc.; and

WHEREAS, Royal commissions in Great Britain have reported a great decrease in the poverty rate as largely due to life insurance; and

WHEREAS, Actual data showing the effect of the institution of life insurance upon this question is as satisfactorily available in this country as it should be and

WHEREAS, The question as to whether the State should encourage or compel some form of life insurance is openly mooted in this country and in several States experiments are being made; and

WHEREAS, Scientific investigation of conditions and remedies is in this, as in other matters, necessary to their intelligent remedy by legislation or otherwise; and

WHEREAS, It would be of great value were data available to show just to what extent life insurance does affect dependency, delinquency, illiteracy, vice and crime and thus strengthen society and the State.

THEREFORE, BE IT RESOLVED: That, the National Association of Life Underwriters co-operate with the National Conference of Charities and Correction, or any other like body, to investigate the relation of life insurance, or the lack of it, to poverty, dependency, delinquency, illiteracy, vice and crime.

That particularly records of orphan asylums, homes for widows and aged, and such institutions for dependents be investigated, as to whether they or those who should have provided for them carried life insurance.

That in the investigation of social workers and public institutions some method be devised of ascertaining and placing before the country the data secured as to the effect of life insurance in reducing the number of dependent widows, orphans and aged with all that means

Introduced by Edward A. Woods, Pittsburgh, Pa.

(3) RESOLVED:

1. That this Association request the active co-operation of the life insurance companies and of the Insurance Commissioners of the various States in utterly eliminating from the business, for the welfare and protection of the public, the crooked and unworthy agent.

2. That recommendation be made to the companies and to our members engaged in employing agents, that instead of accepting the rosy view, so generally given by an applicant for an agency, of his own capacity and the value of his business, no new men be employed hereafter without definite inquiry as to their character and the quality of their business from their last two employers.

3. That when an agent's employment is terminated for cause we recommend the Insurance Commissioners be requested to at once cancel his license or certificate of authority.

4. That it be suggested to the Insurance Commissioners, that no new license be issued to any agent already holding a license, or whose license has recently been canceled, without inquiry by the Commissioner of

the company for which the agent was last employed, framed as to clearly disclose whether such agent has settled his net premiums with said company, and conducted his business honestly and without misrepresentation.

RESOLVED: That the Secretary be instructed to send copy of these (and of the remarks of Mr. Edwards on this subject) to the Insurance Commissioners of the various States and the Presidents of the various American Life Insurance companies; and to the Manager of the Association of Life Insurance Presidents and the President of the American Life Convention, requesting cooperation in this matter.

RESOLVED: That the Chair appoint a committee of three to confer with the officials of the Insurance Commissioners' Convention, the Association of Life Insurance Presidents and the American Life Convention, and emphasize the importance of concerted steps to eliminate responsible and undesirable agents so as to increase the efficiency of agency service generally, and protect the public from the losses incident to the misrepresentation and depredations of the unworthy.

Introduced by Chas. Jerome Edwards, Brooklyn.

(4) **RESOLVED:** That hereafter the Publication Committee shall consist of three members, as follows: the President of the National Association and two members of the Executive Committee, which shall be appointed by the President.

Introduced by Mr. Henry J. Powell, of Louisville, Ky.

(5) **WHEREAS:** The development of practical methods for the conservation of human life is now recognized by life insurance men everywhere as a pressing vital problem. Therefore, be it Resolved: That the National Association of Life Underwriters hereby earnestly endorses the movement to create a National Department of Health with a member of the President's Cabinet at its head, and it is further

RESOLVED: That all members of Life Underwriters associations support this and all practical movements having for their object the conservation of human life, and be it further

RESOLVED: That the Secretary be instructed to forward copies of this resolution to the President of the United States and to all members of both Houses of Congress.

Introduced by John Dolph.

(6) **AMENDMENTS TO CONSTITUTION.**

Amend Section 2, of Art. III, on "Membership," to read as follows:

"A regular legal reserve company, within the meaning of this constitution, is hereby defined to be one that is incorporated, operated and supervised under the legal reserve laws; and which does not by any device of corporation form seek to avoid accountability or supervision

under said laws; does not indulge in any "special contract" or "stock-with-policy" scheme or other deceitful device as inducement to take insurance; does not practise extravagance under the cloak of any valuation device; does not inflate its assets by the device of antedating policies of new insurance; and does not in any other way depart from the true old-line principle of a scientifically adequate reserve consisting of genuine assets."

(7) Amend Section 1, of Art. III, on "Executive Council," by substituting therein the word "Treasurer" in place of the word "Secretary."

Offered by Chas. W. Scovel, of Pittsburgh, Pa.

(8) **RESOLVED:** That the following telegram be sent to President Wilson, the Hon. Oscar W. Underwood, Chairman Ways and Means Committee of the House of Representatives, and Hon. Lawrence Y. Sherman, United States Senator from Illinois.

The National Association of Life Underwriters in convention assembled representing over one hundred and three thousand agents of over a hundred legal reserve life insurance companies of all sections and in the name of our twenty-five million policyholders, protest vigorously against the reported proposal to impose a federal stamp tax upon our policyholders. We shall do our utmost to arouse them against this additional exaction upon America's thrifty and provident self-taxing citizens. No European country, even under pressure of war, so far as is known, has resorted to taxing life insurance. Why should America at peace increase the cost of protecting their families in addition to the present burdensome taxes of forty-eight States? We submit that taxes over the legal reserve companies even those purely mutual and excluding very properly assessment and fraternal associations and, therefore, increasing the cost to the thrifty millions of policyholders upon whom this additional tax must surely fall is unjustified and indefensible. We earnestly request that at a time when the decreased cost of living is demanded so vital an agency of thrift and preventive of dependency as life insurance will not be increased in cost, especially by congress that wisely struck from the Income Tax bill the provisions taxing life insurance. This government has already the discreditable distinction of being the only one in the world to tax life policyholders. Surely the present Congress will not increase this burden.

Offered by F. E. McMullen, of Los Angeles.

(9) **RESOLVED:** That the following telegram be sent to Mr. James R. Young, Chairman of the National Association of Insurance Commissioners, Asheville, N. C.

Will not your convention join us in urging Congress to omit life insurance policyholders from proposed stamp tax, especially as it discriminates against legal reserve companies by not applying to fraternal and assessment associations.

WHEREAS, When the National Association of Life Underwriters, at its Toronto convention, in 1907, for the first time declared a standard of membership and made it such as to exclude the representatives of companies whose unsound and vicious practises are hurtful alike to the business and the public, it declared at the same time its welcome for the representatives of all sound and regular companies, old and new, large and small, wherever located.

RESOLVED, This convention reaffirms that welcome and suggests that all the local associations will find it desirable, as so many have, to increase their membership among the agents of the sound young companies that measure up to the requirements of the National Constitution as now amended.

Introduced by Charles W. Scovel.

There was some brief discussions to the advisability of substituting the treasurer for the secretary as a member of the executive committee, but as President Clark explained that the office of secretary was in a sense honorary, and that the clerical work of that office was performed by the corresponding secretary; also, that the extent of the association's activity depended in a large measure upon the condition of the treasury, all objections were withdrawn.

At this point, Charles W. Scovel called the attention of the chair to the fact that he had been in error in his statement made at the previous session, and that according to Article 2 of the By-Laws of the National Association, the convention may on motion, either without reference to the executive committee, or without report thereon, take up for immediate consideration and acceptance, practically any business except an amendment to the constitution or by-laws. This settled a previous controversy on the subject, and J. Edward Meyers re-introduced the following resolution, which had been the cause of considerable misunderstanding:

WHEREAS: Legislators in several States in the past have shown an inclination towards enacting laws leading to the establishment of state insurance and,

WHEREAS: Such laws show a tendency toward legislative radicalism that would ill serve either the insuring public in all lines or the public at large, and,

WHEREAS: Those engaged in the business, namely, the agents, as well as the companies themselves would be the best fitted to co-operate with any legislation that may be enacted.

THEREFORE, BE IT RESOLVED: That we urge the Program Committee to set aside sufficient time, not to exceed two hours, during the next Convention for the consideration of this question.

AND BE IT FURTHER RESOLVED: That we urge the "Topics Committee" to call the attention of the various associations to give this subject their consideration, discuss the matter with those interested in public affairs, as well as legislators, so that they may report to the National Convention at its next meeting, their findings and recommendations.

It is further suggested that the "Topics Committee" call the attention of the various associations of the National Association to the importance that this question will have on the future work of the insurance calling, both in the nature of its compensation, as well as its existence.

The resolution was adopted.

At the afternoon session it was found necessary to sh about to a slight degree the order of business. Clarence Miller, of the Boston association was the first speaker, a read a paper on "New England Congress of Life Underwriters' Association," which was held on April 27, 1914, at the Parker House, in Boston, with an attendance of approximately 250.

World's Insurance Congress.

President Clark then called upon George A. Rathbun, the Los Angeles association, for a ten-minute report upon "The World's Insurance Congress." Mr. Rathbun is the official delegate from the National Association to the National Council of The World's Insurance Congress. He traced the movement back to four years ago, when William L. Hathaway, of San Francisco, conceived the idea, stating that the congress had now grown until it was truly representative of all branches of the underwriting profession. Mr. Rathbun said that fifty-nine national and semi-national associations had appointed their representatives to the executive council. Concluding the paper, the speaker extended an invitation to the convention for the 1915 meeting, and gave a great many reasons why San Francisco should be selected.

President Clark then read a telegram from William Hathaway, commissioner of the world's insurance congress, suggesting that something be done to correct the impression that the National Association does not favor the idea. Mr. Clark explained that it seemed to be the consensus of opinion that there was no objection whatever to the World's Insurance Congress, and that the question which had been raised was in connection with the members of the various local bodies affiliating with fire, life, accident and casualty agencies. Whereas, the interest of both might overlap in an occasional case, he was under the impression that local associations should continue along the lines laid down by the constitution of the national body.

I. A. Nadeau, of Seattle, Wash., was scheduled to deliver a ten-minute report on the Northwest insurance congress, but as that gentleman had been detained, Guy Withe (Seattle), served most acceptably as his proxy. Mr. Withe made a most favorable impression upon his audience, and his talk was frequently interrupted with applause. In conclusion he said:

Northwest Insurance Congress.

Cold rules and regulations—laws however wisely enacted and however rigidly enforced—will never make insurance men behave—will never drive out the rebater, the twister, the crook or bring into usefulness in the organization the half-baked agent or the manager with ice water in his circulation, but this spirit get hold of all of them worth while and compels co-operation in the direction desired.

I need not tell you of the unifying power of a great common work, but I have a little story to tell you. When you and I work together it adds to your enthusiasm, mine and that of every other one who co-operates with us and somehow or other every fellow in the work, instead of losing by giving of his spirit, gains the multiplied value of the combined enthusiasm. I cannot quote poetry as some men have done so eloquently in this meeting, but I can quote Scripture, and I shall close with a verse from the great psychologist who was probably the best life insurance agent ever spoiled to make a preacher—St. Paul—who said: "The letter killeth, but the spirit maketh alive."

President Clark then called upon Miss Sarah Francis Jones, of Chicago, for a five minute talk on "Women's Work in Life Insurance." Miss Jones briefly outlined what in her opinion women could accomplish as life insurance solicitors. She elaborated upon the idea of social service, and declared that the ideal work for women solicitors is to take the great message of Life Insurance to their sisters.

Next in order came the supplementary report of Warren I. Horner, chairman of the Committee on Education and Conservation. Mr. Horner upon ascending the platform declared that he would not attempt to make a formal address, but just desired to have a heart-to-heart talk with the delegates. Reports received from local associations were encouraging, but in such condition that he was unable to determine accurately the amount which had been contributed, although it was quite probable the sum was at least \$22,000. He earnestly urged delegates to go home and endeavor to stimulate interest in the project and to secure contributions to the fund.

Trophy Awards.

President Clark then announced the winners of the Edwards Membership Trophy, the Whittington Delegates' Trophy and the Waite Attendance Trophy; the Edwards Trophy was awarded to the Oregon association, and was received by Hubert H. Ward; the Whittington Trophy went to O. F. Wilson, of the Oklahoma association, and the Waite Trophy was won by the New England Women's Association. As there was no representative of the New England Women's association present, the trophy was handed to Ashland F. Carter, of the Boston association.

For years past the period devoted to the selection of the place for holding the next convention has always been characterized by more or less wild oratory and excitement; no proposition, however, developed to the invitation from the San Francisco association. The delegates from this association assembled in the rear of the hall and marched to the platform with banners, placards, streamers, California poppies and other paraphernalia. R. L. Stephenson extended the invitation on behalf of the association. The invitation was supported by a speech from Frank E. McMullen, and a telegram from Mayor Rolf, of San Francisco, and an amusing talk from Will G. Taffinder. Chas. Jerome Edwards moved that it was the sense of the convention that the 1915 convention be held at San Francisco. The motion carried unanimously.

Report of Nominating Committee.

The report of the nominating committee was as follows:
President, Hugh M. Willet, Penn Mutual Life, Atlanta, Ga.

Vice-president, Edward A. Woods, Equitable Life, Pittsburgh.

Vice-president, J. N. Russell, Jr., Pacific Mutual Life, Los Angeles.

Vice-president, A. J. Meiklejohn, Toronto, Ont.

Secretary, J. Henry Johnson, National Life of Vermont, Oklahoma City.

Treasurer, H. Wibirt Spence, Mutual Life of New York, Detroit.

Chairman of the executive committee, Lee C. Robens, New England Mutual Life, Hartford, Conn.

Members of executive committee, with terms to expire 1917: Thomas B. Sweeney, Wheeling, W. Va.; Wm. M. Furey, Pittsburgh; C. C. Dabney, Nashville; Wilson Williams, New Orleans; John A. Tory, Toronto; M. M. Matison, Anderson, S. C.; H. D. Neely, Omaha, Neb.; Chas. W. Orr, Ft. Wayne, Ind.; Charles B. Palmer, Wilmington, Del.; Irving J. Muma, Los Angeles; George W. Farley, Toledo; Ira Mapes, Kansas City; Lucian N. Brown, Birmingham, Ala.; Frank B. Parker, Topeka; Oscar Palmour, Atlanta; D. R. Midyette, Richmond; W. H. Harrison, Louisville.

John Dolph moved that the nominations be closed, and the secretary was instructed to cast a ballot for the election of the entire list as presented by the nominating committee. The new officers were then installed, and briefly acknowledged the honor which had been conferred upon them.

Several informal resolutions of appreciation were proposed and adopted. One was a vote of thanks to Millard V. Mack and John L. Shuff, of the Cincinnati association; another expressing appreciation to the Hotel Gibson for the excellent accommodations and service rendered. The third

was a vote of thanks to the president and officers, and Chas. W. Scovel proposed similar recognition to the members of the committee of award of the prize essay contest—Mary Roberts Rinehart, Dr. S. S. Huebner and J. S. Drewry. The last expression of good-will was in relation to the insurance press and the local press. On motion the convention then adjourned.

Immediately following adjournment there was a meeting of the executive committee. Lee C. Robens, of Hartford, Conn., was elected chairman. For two-year terms on the executive council the following names were proposed and elected: Ernest J. Clark and Herbert R. Lewis. The publication committee appointed was Chas. Jerome Edwards, Ernest J. Clark and Hugh M. Willet.

The Banquet.

The annual banquet was, as usual, the crowning feature of the convention; it was held in the ballroom of the Hotel Gibson, and so far as arrangements and service were concerned, left nothing to be desired. Mrs. Elsa Marshall Cox, daughter of Vice-President E. P. Marshall, of the Union Central Life, was the vocalist of the occasion, and rendered several solos most beautifully. Walter L. Tougas, of Boston, performed a cabaret stunt by conducting a chorus in an old French song, "Alouette, Gentile Alouette." Mr. Tougas and his song were much in evidence throughout the social features of the convention, and the innovation proved most acceptable. Cincinnati's popular cartoonist, who is known under the nom de plume of "Old Man Grump," furnished more than a little amusement by drawing cartoons of the prominent members of the association, while an orchestra furnished music during the banquet and during the dance which followed the banquet. At the speakers' table were seated the following: Retiring President E. J. Clark, President-elect Hugh M. Willet, former Governor Judson Harmon, of Ohio; Rabbi Davidson Philipson, pastor of the Rockdale Temple, Cincinnati; Jesse R. Clark, president of the Union Central; Edward A. Woods, vice-president of the National Association; John Newton Russell, vice-president of the National Association; A. J. Meiklejohn, vice-president of the National Association; John L. Shuff; Rev. R. E. Elmore, pastor of the Walnut Hills Christian Church; H. Wibirt Spence, treasurer of the National Association; J. Henry Johnson, secretary of the National Association; Everett M. Ensign, corresponding secretary of the National Association. Rabbi Philipson delivered the invocation. The first speaker scheduled for the post-prandial exercises was the Honorable Stanley E. Bowdle, member of Congress. Mr. Bowdle was unavoidably detained, and John L. Shuff read a portion of that gentleman's address. It is quite needless to say that Mr. Shuff interpolated considerable of his own particular brand of humor, which in all cases brought forth much applause.

Agreeable Disappointments.

As a second disappointment, which failed to be disappointing, a telegram was received at a late hour stating that Governor James M. Cox, of Ohio, would be unable to be present. However, former Governor Judson Harmon, of Ohio, had been impressed into service, and his address was listened to with marked attention, and its conclusion was acknowledged with great applause. President-elect Hugh M. Willet spoke briefly, giving an outline of the proposed work of the National Association during his administration.

Report of Registration Committee.

The report of the registration committee, which was announced at the last session of the convention by President Clark, was as follows:

Delegates	286
Alternates	80
Association members other than above.....	143
Guests, home office officials and press.....	74
Ladies	145

PROPOSED STAMP TAX ON LIFE INSURANCE

As per Bill reported to House, Sept. 21, 1914

TRANSACTION

If \$100 is put into—

	TAX per \$100
Real Estate (50c. per \$500)	\$.10
Bonds or Stocks05
Loan on Promissory Note02
Loan on Mortgage01 ² / ₃
Savings Bank, Building and Loan, Fraternal Insurance	NOTHING .00

LIFE INSURANCE: at 8c. per \$100 of policy, Tax on \$100 of premium
(by average of all new premiums in 1913) 2.72

Worse yet, Tax thus levied falls heaviest on the low-premium policies; for example:

20 year endowment, age 35, tax on \$100 of premium 1.63
ORDINARY LIFE “ “ “ “ “ 3.08

Also heaviest on the young ages; for example:

Ordinary Life, Age 50; Tax on \$100 of premium 1.77
“ “ Age 25; “ “ “ 4.10

On Industrial policies, at 10c. a week (all ages), the rate of 4c.
makes Tax on \$100 of premiums77

“Moreover,” says Charles W. Scovel, chairman of the Press Committee, in a recent announcement, “the transactions of over thirty millions of policyholders, old and new, will pay a very large part of the general stamp taxes proposed—e. g., on bankchecks and drafts, money orders, notes and protests, bonds, mortgages, loan papers, assignments, proxies, certificates, indemnity bonds, express and freight receipts, telegraph and telephone messages, etc., etc. No objection is made in the name of Life Insurance to these general taxes, although probably no other class of transaction will run against a revenue stamp at so many points and to so large a total.

“The special policy tax above tabulated, absurdly discriminating against Life Insurance among all other transactions, and with its topsy-turvy burden falling heaviest on just and wrong policies and ages—this is objected to, and strongly. The forty-eight States already impose upon policyholders, in addition to all usual property taxes, over \$13,000,000 of a special tax—penalty for carrying Life Insurance, a special tax that is utterly indefensible on any ground of public welfare. Other countries favor and even subsidize Life Insurance instead of taxing it. And now Uncle Sam is nudged by the House Committee to step in and increase that indefensible burden by \$2,150,000, adding over sixteen per cent. to it!

“All of this big increase is to be heaped on the new insurance, over and above its full share of existing taxes, thus multiplying its burden out of all proportion. And yet it is really worse public policy to penalize a man's life insurance at the start than later on. State laws would presumably make the tax a charge against new insurance alone, and it would doubtless be collected directly from each applicant in addition to the regular premium.

“Even if this tax should be found to be chargeable to the general funds, it would none the less fall on the policyholders themselves. During 1913 the 260 companies, while receiving, in round figures, 715 millions in premiums, paid to policyholders 470 millions and laid away for them 249 millions more—thus saving for them an excess of over \$4,000,000 out of the interest earnings, after paying all expenses and the \$13,-

000,000 of present taxes. The additional tax proposed would if so charged, simply cut down by more than one-half the excess saved to policyholders by good management.

“Why penalize policyholders, new or old, already overtaxed by the States as in no other country? Why tax every \$100 put into Life Insurance many times more heavily than if put anywhere else? Why commit the absurdity of taxing the face of the policy, regardless of premium or age? This looks rather less sensible than it would be to tax all real estate so much per front foot, regardless of value or depth, and make the small strip of truck garden pay twice as much as the Wall Street skyscraper.”

SOCIAL FEATURES OF THE CONVENTION.

Arrangements Worked in Perfectly with Business Sessions—Hospitality of Cincinnati Association Left Nothing to Be Desired.

Cincinnati Association of Life Underwriters—Thy name is *Hospitality*. Every delegate, alternate or guest who attended the convention will remember the Cincinnati convention as one which surpassed all others for its elaborate social features. Everything, however, had been so arranged that none of the entertainment interfered with the regular business sessions of the convention.

To begin with, there was a system of registration which was ideal. It was the same system as was adopted at the Atlantic City convention, but greatly improved upon, and it worked out to perfection. The registration committee was located on the mezzanine floor of the Hotel Gibson, where a room had been specially set aside for that purpose. The committee was remarkably efficient and courteous and consisted of the following members of the Cincinnati association:

W. A. R. Bruehl, Jr., chairman; B. W. Bassford, Edward Bernard, Isaac Bloom, C. J. Cohen, H. W. Hutchins, E. W. Jewell, Jr., J. W. Mackelfresh, H. L. Shepard, L. B. Simrall, Victor Trounstone, J. F. Usher and Louis Wirth.

The Manhattan Life

T. E. LOVEJOY, President

**¶ Old Fashioned General
Agency Contracts with
Exclusive Territory.**

JOHN F. ROCHE, Vice-President

After registering, each delegate, alternate and guest was presented with a badge, a program of the meeting, a booklet of detachable tickets admitting the holder to the various social functions of the gathering and to various other semi-public institutions of the city. A souvenir was also given to each delegate and was in the form of a piece of Rookwood pottery, which was equally adaptable to men or women, as in the former case it could be used as an ash tray and in the latter as a pin tray.

The Union Central Life tendered a luncheon to the members of the executive committee and other invited guests in the library of its home office building at noon Monday, Sept. 14. In the evening all members of the National Association who were in Cincinnati at that time were invited to inspect its home office building, where every employe was at his or her respective station. After this a buffet lunch was served on the 15th floor of the building. Many of those who were present on this occasion visited the Chamber of Commerce in the same building to attend the lecture and a series of stereopticon views by Garner Curran, deputy to Commissioner William L. Hathaway, of the World's Insurance Congress.

In the evening of Tuesday, Sept. 15, a reception and ball was held at the Hotel Sinton. This affair was under the direction of John L. Shuff and E. R. Ferguson, and the floor committee consisted of J. S. Drewry, S. P. Ellis, C. J. Iredell, William G. Oehmig and F. H. Spreitman. Dancing was the principal amusement and nearly everyone participated. A delightful buffet luncheon was served.

The boat ride in the evening of the second day of the convention, Wednesday, Sept. 16, on the *Island Queen*, which is the largest pleasure craft on the Ohio River, was one of the most enjoyable features of the convention. The *Island Queen* departed from its dock at the foot of Broadway at 6 o'clock and landed the party at 10 p. m. Refreshments were served and there was ample opportunity for dancing. The committee in charge of this affair was: W. A. R. Bruehl and J. W. Kirgan, representing the general convention committee; F. H. Anderson, J. D. Burgess, Mark Davis, George O. Dieterly, A. F. Levi, Noah Morgan, Robert B. Palmer, H. T. Saunders, W. H. Sturtevant, Samuel W. Sturm, J. E. Taylor, Franklin J. White and H. K. Wisheart.

FORMER NATIONAL PRESIDENT CHARLES W. SCOVEL EXPLAINS IMPORTANT RESOLUTION.

One of the Principal Features of Convention Proceedings Did Not Receive the Attention It Deserved—Matter Elucidated and Wide Publicity Requested.

When the National Association of Life Underwriters, at its Toronto convention in 1907, for the first time declared a standard of membership and made it such as to exclude the representatives of companies whose unsound and vicious practices are hurtful alike to the business and the public, it declared at the same time its welcome for the representatives of all sound and regular companies, old and new, large and small, wherever located.

This convention reaffirms that welcome and suggests that all local associations will find it desirable, as so many have, to increase their membership among the agents of the sound young companies that measure up to the requirements of the national constitution as now amended.

By some mischance, the foregoing resolution has missed the wide publicity given to the constitutional amendment that was, with it, unanimously adopted by the executive committee

and convention. I feel called upon, as chairman of the press committee, to apologize; and as the mover of both actions, to explain. Particularly, since I have already had word of some misunderstanding as to the amendment, the very thing this accompanying resolution was meant to prevent.

The amendment was drawn at the president's request after correspondence with the council simply to correct an obscure phrase that had brought the question up, and at the same time to make this membership standard fully conform to the original declaration of 1907. The amendment adds nothing new. It specifically condemns four kinds of wrongful practices—among them the misuse of any kind of valuation (though lawful in form) as a "device" or "cloak" under which to "practice extravagance." It does not condemn, nor is it aimed at, any lawful valuation method as such.

The whole subject was thoroughly thrashed out at Toronto, and the wise conclusion then reached (by unanimous vote, if I remember rightly) remains wholly unchanged in both letter and spirit, except that the welcome for the agents of the sound young companies has been growing warmer and more general, as shown by the resolution itself.

(Signed) CHARLES W. SCOVEL.

Pittsburgh, September 23, 1914.

THE TAXATION OF LIFE INSURANCE.

Address of Lawrence Y. Sherman, United States Senator from Illinois—The Line Between Self-support and Charity Outlined and Many Reasons Given Why Life Insurance Should Not Be Taxed.

There is a sharply drawn line between self-support and charity. One is creative, the other is exhaustive and if not supplied by the former destroys its source of supply. One develops, the other merely sustains. Self-support arouses all the better faculties. It includes in its terms all dependent on the economic unit. Every incentive ought to be given, and every burden to self-support removed wherever possible. Charity ought always be reduced to a minimum. The more self-support is hindered the more charity must relieve where individual effort fails. Neither universal charity nor a universal distribution of property will solve the problem of self-support. Both utterly fail to respond to the normal industrious person during the span of his productive years. Self-support does not take heed merely of productive years. Infancy, age, disability and misfortune hedge about every stage of human life. Mere thrift alone, the sturdy frugality that limits outgo until the income leaves a surplus is not a certain protection to the family. Such productive effort is perpetually subject to the destructive vicissitudes of life.

Modern life insurance protects the whole scope of man's economic obligations by substituting a contract that extends his productive period by eliminating the hazard of death. The certainty of a secured contract is substituted for the uncertainty of an uncovered future. It adds to thrift a guaranty that it will not be stricken down before its purpose shall have been accomplished. The risk is distributed through given periods and great numbers. The cost is so divided that present payments are within reach of all. The certainty of the responsible life insurance contract is pitted against the certainty of death or the risks of misfortune that surround the average man.

I am informed that the average life insurance policy is about \$2,000. The American nation has over 20,000,000 of homes. The ideal state for all of them is self-support. If the average life insurance policy could be increased in amount and diminished in annual cost it would be a great benefit. The head of a family who has not accumulated income-producing property may thereby capitalize his future earnings. He builds up a barrier against uncertainty. He creates a sinking fund against possible misfortune and the certainty of death. He does so by joining with the ability and resources of a

Over Half a Century's Benefaction

THE
HOME LIFE

Insurance Co. of New York

GEO. E. IDE, President

Has Paid to Policyholders and their Beneficiaries since organization
in 1860, over

\$50,000,000

And now holds in Admitted Assets over

\$29,000,000

a total of

\$101.30 for every \$100 in Premiums Received

Its gain in Insurance in Force during the past ten years is 67.64%; its gain to Insurance Written in 1913 is 40.2%; its ratio of Actual to Expected Mortality during 1913 is 62.25%; its Surplus Earnings to Premiums since 1860 is 15.01%, and in 1913 15.41%; since 1860 the Dividends Paid to Policyholders amount to 12.29% of the premiums received, and in 1913 13.48%.

**A conservatively progressive company issuing the
most desirable forms of participating insurance**

For Agency apply to

Geo. W. Murray, Superintendent of Agents

HOME OFFICE: 256 Broadway, New York

great multitude of others who are inspired by a like purpose. It is the mutual contract of experience and prudent reflection. It was not devised by the careless and improvident. Human earning capacity is underwritten at its present cash value covered by averages of death, cost of conducting the business and interest rates on fixed investments. The present life insurance policy is one of the greatest triumphs of financial wisdom and business acumen in modern life.

It is a sacrifice, for in most instances the man receives no direct pecuniary benefit. He acts for others who may not be able to act for themselves. If this sound belief leads him to secure his family and sacrifice present ease to create self-support and relieve society of the contingent burden, why should not government promote instead of penalize life insurance? General society exercises its powers and influence through the agency of civil government. Therefore civil government ought to encourage a contract that provides financial stability for the head of a family equal to the present pecuniary value of a prolonged and certain life.

Criticism Has Ceased.

Whatever just cause of criticism has been made in the past of the management of life insurance has now ceased. Laws now regulate every necessary operation resulting in the policyholder's contract and its safety and certainty. Life insurance now is one of the most powerful agencies of civilized society known to combat poverty and want, to create self-support and thrift and lighten the rapidly increasing heavy burdens of public and private charity now resting on the purse of the taxpayer and the philanthropist. It is an active ally of school, church and state and every legitimate business in diminishing poverty, misfortune, neglect and failure. It becomes an economic antidote for want. What a vast measure of self-respect is preserved or created by encouraging self-support rather than charity support! As a fiscal agency to advance great public undertakings by providing a purchaser for their securities insurance companies are among the best known. The immense financial value to the public of these great accumulations invested to sustain the life insurance contract need not, however, be considered.

No Objection to Property Tax.

The universal basis of taxation on which most agree is the assessed value of property, so that each pays according to what he has. No life insurance company objects to its property tax. That tax is part of the cost of conducting its business. As the costs of operation increase the cost of insurance increases. Every cost item is eventually loaded on the premium. The tendency to increase the burdens imposed on the business of life insurance ought to be checked. A large proportion ought to be entirely removed. When excise or occupation taxes, license fees or any source of revenue is sought, the life companies have been among the first singled out to carry the cost of government by the 48 States. The burdens so imposed are in the last analysis borne by the policyholder. The policyholders of the United States narrowly escaped an unreasonable and burdensome levy in the new income tax law which became operative Oct. 3, 1913. Those concerned remember the difficulty of impressing upon the members of Congress the basic truth that further exactions would fall upon the policyholder.

The deductions allowed in assessing income tax ought to include the amount paid for life insurance to a reasonable maximum percentage of income. The absurdity now exists of allowing the head of a family to insure a machine or an animal necessary to carry on his occupation and deduct the premium from his income, while the insurance premium on the life of the man who runs the business and upon whose success it depends entirely is denied any such deduction.

Insurance cannot now be made interstate business and subject to uniform regulation by an act of Congress. Every life insurance company is now subject to the regulation of the 48 States. Each State is at liberty to treat every company incorporated under its local laws as a foreign corporation. Nothing short of an amendment to the Federal Constitution will vest in Congress power

to regulate insurance. Many millions of policyholders are your constituents. Most of them are voters. Those directly and indirectly concerned are powerful in numbers and influence. Why should not such voters unite in proper self-defense? The fraternal companies are rightfully exempt from most of the foregoing burdens. No legislature nor politician would venture to propose additional charges to them. The old line companies enjoy no such immunity. Even those doing a purely mutual business are not exempt. So far as it affects the policyholders, both stand upon the same footing, viz.: an increase of taxes is at last charged on the premium and paid by the policyholder. Every agitator and demagogue has attacked and some well-meaning but misguided public officials have regarded them as fit enterprises for discrimination and unjust taxation. There is one certain method to meet it. It is the union of voters who pay premiums to your companies. Without them your companies could not exist. Without the companies those voting policyholders could not procure life insurance. It is the union of numbers, with their multiplied paying powers, with the business ability and detailed knowledge of life insurance possessed by others, that creates the business. Mutual defense against future unfriendly legislation is as meritorious as the modern protection given by the policies you issue. Let your policyholders understand that every tax imposed increases their premiums. Let them insist that any payment beyond a property tax, except that covering the actual cost of supervision and inspection, is unjust. Let their concentrated power be brought legitimately to bear upon the political susceptibility of those who aspire to public life. Let this be done to the end that State legislatures and Congress may not increase the cost of insurance under the short-sighted policy of raising further revenues in excess of property tax from life insurance. To the diffusion of this information each agent and officer of your companies may properly lend himself.

Discrimination and Reprisals.

Any tax upon the business done in one State becomes a cost element in the premium collected in all other States. The legislature of one State therefore becomes national in its necessary effect. If one State taxes life insurance done within its borders by foreign companies and another does not, the citizens of the latter State thereby are taxed by the former State. This becomes a direct incentive to a State collecting nothing or a low revenue from foreign companies to lay a tax or increase their exactions so that it may receive its share of the taxes. This has led in some instances to discriminations and reprisals. It has imposed the most embarrassing variety of laws upon life insurance companies. The United States possesses that uniformity of climate, race, occupations and sanitary conditions that the cost of life insurance is uniform and national and not accidental or local. As a preservative element in the problem of self-support it is national. As an ally in warring against the evil of poverty and want it is national. The regulations under which life insurance business is done ought to be national and not local. It has risen to the dignity, importance and power of a national undertaking. It totals, measured by money alone, more than the transportation lines of the United States. No single line of human effort reaches so generally every walk and condition of life. Not a bushel of corn can be turned into distilled liquor without the regulation of Congress. Not a cigar can be rolled and sold without the watchful eye of the Government. Still the hundreds of millions of investments that safeguard life insurance contracts the many hundreds of millions of policies carried. The vast responsibilities entailed are without a single regulation of the Government of the United States. It is proper now to institute a movement to so amend the Federal Constitution as to give Congress such power. Let it be done intelligently and in the name of justice. A united effort will succeed. Temporary defeat must not discourage, but serve as the motive for future increased effort. For whatever I may be worth in private or in public life I am a volunteer in behalf of this cause.

The Part Time Agent!

*Commission plan adopted by the Boston Board
of FIRE Underwriters.*

(Published in "The Standard" June 1st, 1914).

No person is to be considered as qualified to be a District, Metropolitan or Suburban Agent who does not hold himself out as an insurance agent and carry on business in good faith as such, it being the purpose to qualify only those whose business is solely insurance or real estate. By real estate is meant

..... it being especially for the purpose of this rule that persons engaged in the following occupations, either as principals, agents or employes, are not entitled to and shall not be qualified:

Stock, bond, note, specie, steamship and customs house brokers; building and other contractors, coal dealers, clerks of court, employes of the United States Government, of the Commonwealth, county, city or town, lawyers; printers and publishers, persons engaged in the banking, mercantile, merchandise or manufacturing business, storage warehouse officials; professional trustees or administrators, and those engaged in business similar to any of the above mentioned classes.

Why not approach this in Life Insurance?

PHOENIX MUTUAL LIFE INSURANCE COMPANY
of Hartford, Conn.

JOHN M. HOLCOMBE, President

LIFE INSURANCE EDUCATION.

Address of Dr. S. S. Huebner, Professor of Insurance and Commerce, Wharton School of Finance and Commerce, University of Pennsylvania.

Prominent Authority on Subject Involved Declares That No Human Agency So Universally Needed Is So Little Understood—Solution of Problem to Be Found in a Comprehensive System of Non-Partisan Education.

Life insurance, because of its complexity, is probably, of all business subjects, the most academic in character. Yet education in this field has, until recently at least, been limited almost wholly to those who are engaged in its various departments. The general public for whom life insurance really exists has been largely overlooked. The result has been that the institution not only suffers from unwise legislation, but the general public manifests only a faint interest in its great mission and seems to show a spirit of indifference to its success and a distrust of its methods. Probably no human agency so universally needed is so little understood. It will be conceded that it is high time that a proper public opinion should be developed and that many of the views now prevailing should be changed. The only way to do this, I believe, is through a comprehensive system of non-partisan education, which in the course of time will gradually mould the thought of the masses. I have examined the outline of the broad scheme of education undertaken by this association and am in full sympathy with its form and purpose. I may add that, as a teacher of the subject, I am happy to know that the necessity of life insurance education is so thoroughly recognized, and to see a comprehensive plan evolved out of the minds of men who are identified with the business as practical salesmen.

Two Lines of Thought.

A discussion of life insurance education naturally involves two lines of thought, viz., the subject-matter to be taught and the method of teaching. In discussing these subjects I shall not dwell upon education along actuarial and other specialized lines. This phase of the subject will take care of itself. The thing with which we are all most vitally concerned is the spread of a knowledge of the nature and usefulness of life insurance among the rank and file of this nation's great population. From the viewpoint of the general public, therefore, I shall undertake (1) to outline in general the subject-matter that should be emphasized in a comprehensive plan of life insurance education, and, following this, (2) to discuss the subject more in detail with reference to its special application to the policyholder, the legislator, the beneficiary and the agent.

Subject Matter to Be Emphasized.

While opinions no doubt differ on a subject of this kind, I believe that there are six main lines of thought that should be emphasized through every available channel of education. These lines of thought I shall endeavor to outline in skeleton form since the limits of a paper do not permit an exhaustive statement of the same:

(1) First and foremost, all who have assumed family responsibilities should be impressed with the sacred duty of using life insurance as a means to protect their loved ones against the want that may be occasioned by premature death. Life insurance is one of the greatest bulwarks of the home and the only safe method of hedging it against the uncertainties of life. Men must be made to recognize the value of a human life both from the family and business standpoint (the two being nearly always closely interrelated) and to capitalize and perpetuate that value in compliance with the dictates of Christian duty. The capitalization of the value of a human life for the benefit of the dependent members of the household is a fundamental duty that should be preached from every pulpit, be taught in every school where students are old enough to comprehend, and be given the widest publicity through the press by means of articles, editorials and non-partisan advertising. Emphasis should be laid on the "crime

of not insuring" and on the biblical injunction, so frequently quoted, that "If any provide not for his own, and especially for those of his own house, he hath denied the faith, and is worse than an infidel." Let it be taught that the finger of scorn should be pointed at any man who, although he has provided well while alive, has not seen fit to discount the uncertain future for the benefit of his dependent household. Let it also be known that such a man, as Dr. Talmage would say, "is a defalcation, an outrage, a swindle. He did not die, he absconded."

Life insurance is the only sure means of changing uncertainty into certainty and is the antithesis of gambling. He who does not insure gambles with the greatest of all chances, and, if a loser, makes those dearest to him pay the forfeit. That the gamble is a risky one is easily demonstrated by any mortality table, and even if life is granted until age 50 let it not be overlooked that less than one in ten of our population succeeds in accumulating a reasonable competence and that through reverses a great majority of this limited number lose the same by the time that age is reached. That the gamble is still readily assumed is indicated by the fact that the total life insurance in force in the United States amounts to the small pittance of only about \$300 per capita.

Eliminating Worry.

(2) Writers on life insurance have asserted time and again that insurance is not a producer of wealth and that its function is merely to distribute funds from the fortunate to the unfortunate. I feel that the public should be shown that life insurance, besides protecting against misfortune, is also a powerful force in the production of wealth, and that premium payments should not be regarded merely as an expense to be grudgingly borne. Constant worry is one of the greatest curses that can fall to the lot of man, and life insurance, if universally used, would lift that curse from innumerable shoulders. The knowledge of an assured estate from the moment the premium is paid will enable the insured to feel freer in assuming initiative. By removing a load of care from the mind it promotes efficiency and makes life happier. In my own case my life insurance is one of my most treasured possessions, and I have often felt that I would not be without it even though the premiums were twice or thrice what they are. Because of it, I eat better, sleep better, feel better, and as a result of these, work better.

The Saving Feature.

(3) Agents constantly meet with those whose argument against life insurance is that they prefer to save. This view must be strenuously opposed in our educational program. The habit of saving should by all means be encouraged, but it should be made clear that the saving of a competence involves the necessary time to save, and that life insurance is the only certain method to use as a hedge against the possibility of the saving period being cut short. It must be made clear that a policy of saving can yield only a small amount at the start, while a policy of insurance from its beginning guarantees the full face value. Moreover, the roseate views which so many have concerning their resolution and ability to accumulate and keep should be tempered by a frank statement of the harrowing facts as they actually exist. Eighty-five per cent. of this country's adults leave no estate at all, and about one-third of the widows in the country lack the necessities and 90 per cent. the comforts of life. Let us also emphasize the fact that, in addition to guaranteeing an estate at once, life insurance contains an investment feature which is absolutely safe, that it is one of the greatest forces to inculcate the saving instinct, that it is admirably adapted to put small sums of money to prompt and profitable use, and that, to use the apt expression of one underwriter, it is "compound interest in harness." Let it also be known how easily and how frequently the competence which a husband or father has provided through saving or insurance is lost by the heir or beneficiary, and that modern income policies furnish a guarantee against such a contingency.

THE PENN MUTUAL LIFE INSURANCE COMPANY

OF PHILADELPHIA .

**OFFERS A COMPLETE
INSURANCE CONTRACT**

**AT PROPER COST WITH HIGHEST VALUES
ADAPTED TO FIT ALL**

INSURANCE NEEDS

**FAMILY PROTECTION ESTATE CREATION
BUSINESS—PARTNERSHIP—CORPORATION**

INDEMNITY

**BECAUSE OF THESE ADVANTAGES, ADDED TO THE
REPUTATION AND STABILITY OF
THE COMPANY**

FIELD REPRESENTATIVES

OF THE

PENN MUTUAL

HAVE THE

**LARGEST OPPORTUNITY FOR SUCCESSFUL
WORK THAT THE LIFE INSURANCE
BUSINESS AFFORDS**

WRITE FOR TERRITORY

(4) Life insurance also lends itself to numerous business uses and it is highly essential in an educational program that a knowledge of these should be given as wide circulation as possible. I recently received a circular from a leading company outlining no less than 25 such uses, but unfortunately the limits of an address do not permit an enumeration of the same. Suffice it to say that they are little understood today by the great mass of business men, and it is certain that a readable and illustrated explanation of the uses of insurance as a means of indemnification against the loss by death of a valued official or employe, of providing a sinking fund to meet future liabilities, of safeguarding credit, of covering a mortgage, of raising further capital without additional tangible collateral, etc., is sure to attract attention and produce results. I venture to say that there is hardly a business man who is not at one time or another confronted with some business situation the solution of which can be rendered easier and safer through the proper application of life insurance.

(5) Having acquired insurance, it is essential that the same should be conserved and that its monetary value should not be pawned whenever some unnecessary luxury is desired or whenever the stock market seems low or some other apparent opportunity to make money quickly presents itself. The enormous value of policy loans, and nine times out of ten we are told that a policy loan means a lapse, shows an inordinate propensity towards shiftlessness. Life insurance must be regarded as a sacred possession to be mortgaged only in case of extreme necessity. Borrowing on the policy depreciates its value and defeats the original purpose it was intended to serve. If not actually necessary, borrowing on a policy is an act of flagrant injustice to the beneficiary.

(6) Lastly, our educational program should acquaint the public with the essential particulars of the various forms of policies which may be used to meet special contingencies. The public must also be convinced that there is only one right kind of life insurance, which must be based on sound mathematical theory, and that economic insurance must not be confused with cheap insurance.

Methods of Reaching the General Public.

Having outlined the close relation of life insurance to our daily affairs, and having referred to its numerous functions, we may next consider the methods by which a knowledge of those functions, as well as an understanding of the basic principles underlying the institution, can be given widest circulation. Personally I feel that the general introduction of life insurance education into our high schools, business schools, colleges and universities will have in the course of time a very wholesome effect in this respect. But what is needed now is the immediate education of the adult population along the lines just indicated. This, I believe, can be accomplished best (1) by having the great mission of life insurance explained, wherever possible, through the medium of the pulpit, the lecture platform and the editorial column; (2) by disseminating readable and carefully prepared information, of a strictly non-partisan and educational character and with the subject-matter so copiously and simply illustrated as to be readily grasped by the average mind, through the pages of the leading newspapers and magazines, and (3) by disseminating the same kind of information, as well as short articles explaining the specific business uses of life insurance through the leading trade journals of the country.

Trade Journals.

While the efficiency of the newspapers and leading magazines, with their combined circulation reaching into the millions, will be readily admitted, I feel that education through the medium of specialized trade journals should be carefully considered. Many men in most lines of business are constant and careful readers of some standard trade journal which caters to their particular business interests. These journals are expected to be technical in character and therefore lend themselves more readily than does the newspaper or general magazine to an explanation of the more complex and tech-

nical uses of life insurance. Thus, take the great farming class of the country. The possibilities of the spread of life insurance among this class is simply tremendous. A large percentage of the prosperous farmers keep some leading farm journal and give it careful perusal. Farmers, as a class, are sadly in need of life insurance protection and to-day know comparatively little about it. Education through the leading dailies, it is true, will also reach the farmers, thanks to the development of the rural free mail delivery service. But what I have in mind just now is the necessity of making the farmer understand the mission of life insurance in its immediate relation to him as a farmer. For example, just to contemplate what tremendous good would be accomplished in only one-tenth of the farmers could be made to understand the proper application of life insurance to their mortgages. While such ideas should also be explained elsewhere, I am of the decided opinion that they should be given ample expression in farm and trade journals.

Work for the Salesmen.

And now let me add that an educational campaign for the dissemination of life insurance knowledge among the masses requires the hearty co-operation of life insurance salesmen. They are, after all, the missionaries in the field and must help the propaganda along. Just imagine what it would mean if every clergyman preached the Christian duty of life insurance to his flock once a year; if every editor occasionally explained its mission by editorials, and if every directing head of a high school, business school, Y. M. C. A. educational course and college could be convinced that an agency containing the possibilities for so much good and of such universal application as life insurance is worthy of treatment somewhere in the curriculum of his institution. Nearly all of you are members of some church, and are personally acquainted with some editor, school principal, or other person whose active support will mean much for the cause. Now, to use the common expression, it is up to you to get after your pastor and after that editor and principal, to make them see the point and induce them to act. In other words, see to it that life insurance gets on the educational program wherever possible.

Educating the Beneficiary.

And now I wish to emphasize another phase of the educational program designed to reach the general public, namely the education of women. Women represent about one-half of the adult population of this country, and yet only about one out of every ten policies is said to be issued on the lives of women. Not only has nearly every home a woman who should understand the vital relation of the protective influence of life insurance to herself and her offspring, but it is said that in the United States over 5,500,000 women engage in professional or business pursuits. We may justly say: What a wonderful life insurance field to cultivate and stimulate is here presented.

Woman, after all, is the real cause of life insurance. Yet thus far her influence, largely through ignorance of the subject, has been rather one of indifference. Too frequently she has been an unconscious and often deliberate obstacle to the husband's wise decision to devote a proper share of his income for family protection. She has certainly not yet become the dynamic force in life insurance that it is her duty to be. Like man, she must be set to thinking on this important subject and must be educated to the point of having a definite habit of thought.

The efforts at life insurance education along the line already mentioned, or to be referred to later, are bound to reach and influence the thought of many women. I wish, however, to emphasize the desirability of moulding the viewpoint of women through the medium of those journals, with their millions of circulation, which they are accustomed to read. Through this channel the vital significance of life insurance can be driven home by illustration and otherwise better than in any other manner. The proposed efforts of this association in this respect will, I believe, be richly rewarded, and before long this plan of education should justify

The successful solicitor talks about his own company—not about other companies.

He talks the benefits and achievements of life insurance, and what his own company has done, is doing, and can do in disseminating these benefits.

Agents representing

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have a story to tell that compels attention.

One billion, one hundred and thirty millions paid to policyholders.

More than two hundred millions paid in dividends alone.

More than fifty-eight millions in dividends in the last four years.

More than eighteen millions set aside for payments of dividends in the current year.

Nearly sixty-four millions in death benefits, endowments, dividends, etc., paid to policyholders in 1913—five millions more than was received from them in premiums.

The story wins. Mutual Life agents do business and make money.

For Terms to Producing Agents, Address

GEORGE T. DEXTER, 2d Vice-President

34 Nassau Street, New York, N. Y.

the companies in addressing literature to the prospective beneficiary instead of having in mind only the prospective policyholder.

The educational program intended to reach women should aim to accomplish four main objects:

(1) It should explain the value of life insurance protection as a means of replacing lost income and as an agency which assures family peace and plenty. The hazard of early death and the vicissitudes connected with the accumulation and investment of savings should be painted in their true colors. The dismal truth is apt to leave a more definite impression on the mother than the father. Let women know, too, that life insurance is a wonderful agency in relieving man, as regards both his family and business life (and the two are nearly always closely interrelated), from the terrible curse of worry. None know better the worries of a husband and father than do the wife and daughter of the household. Let also unmarried women know that life insurance is absolutely safe and that various kinds of policies can be advantageously used to make them financially independent.

Family Responsibility.

(2) To emphasize woman's *rights* as well as her *duty* in the matter of life insurance. On the one hand she should be taught that it is her husband's most sacred duty to adequately protect the family, if that is at all possible, and that it is also *her* most sacred duty to watch her husband in the matter, to use her persuasive powers to get him to act, and if that will not avail, to insist on action as her *right*. Not only has she a right to personal protection, but her rights as regards life insurance are further increased by her interest in the children which are as much hers as they are her husband's. As already stated, family responsibility is not limited to the time when "death do us part," but extends beyond; and it is to be hoped that women may soon understand sufficiently the relation of life insurance to themselves, to insist upon its purchase at the time when they are asked to enter into the most sacred of all partnerships. Many of them, you will admit, are in an excellent position just at that time to have their wish complied with.

Again, in many homes the wife handles the funds expended for household necessities, and in the great majority of homes life insurance is such a necessity. If she finds it difficult to make the family income reach, she should be taught that that is no justification for opposing life insurance; instead, how much harder would it be to acquire the same necessities were the bread-winner to be suddenly taken away without having previously provided adequate protection. Above all, it should be emphasized to mothers that those who advise against life insurance because its purchase might reduce their personal allowance or deprive them of articles of adornment and pleasure are not only foolish and blind to their own interest, but, as has been said, "criminally indifferent to the welfare of their offspring."

Influence of Women.

(3) To instruct women to use their influence to preserve the existence of the insurance when once acquired. If women—the beneficiaries—understood that nine out of every ten policy loans mean a lapse, that replacement becomes possible only upon a satisfactory medical examination and that in any case the loan for the time being impairs the amount of protection, and if they were shown their right to proper protection and aroused to keep themselves posted as to what the men are doing with their policies, I feel confident that the number of policy loans would be greatly reduced and limited to cases clearly justifiable. Much has been written of late to stem the tide against increasing policy loans, and justly so. I feel that one of the most effective means to check this abuse is to arouse the interest of the beneficiary.

(4) To give advice as to the proper maintenance of the funds when the policy matures. I am a great believer in income policies, and their advantages, as contrasted with

other methods of investment, from the standpoint of certainty, economy and convenience, should be set forth.

If the foregoing ideas are given constant and wide circulation women as a group will like instead of dislike insurance. The educational campaign having once been launched, there is reason to believe that it will grow of its own momentum in view of the well-known tendency of women to communicate their ideas to one another. Not only will women cooperate and plan with their husbands for the fulfilment of their wishes in respect to life insurance, but the subject will soon be one of discussion in women's clubs and social circles. The present century is characterized by material changes in the status of women along many lines, and with respect to life insurance, as has been well said, "women will cease to weep and begin to think, and with thinking will come the desire to extend the benefits of insurance to all womankind." Woman's influence will also soon be felt at the ballot box and her espousal of the life insurance cause will soon be a potent force directly, as well as indirectly, in opposing inimical legislation. An appeal to the person to whom the greatest injury is done will, for example, do much to counteract the present tendency to almost tax the life out of life insurance.

Educating the Legislator.

This subject is naturally difficult to handle, but ought not to be overlooked. Much has been said and written in the last few years about the chaotic and unjust nature of life insurance legislation in this country, and a goodly number of the addresses before this convention will expose the sinful character of life insurance taxation. Very much of existing legislation is bad—very bad—but what more can we expect? I have had the good fortune to be associated intimately with a very considerable number of legislators, and while some do not want to legislate wisely, I know that the great majority do. The problem again is one of education of understanding and appreciating the subject involved in the legislation. I have heard many lawmakers frankly confess that they vote on many vital business questions without knowing much about them, and I venture to say that hardly one in ten, and certainly not more than one in five, understand the basic principles upon which old line insurance is founded. Under such conditions what but crude legislation can be expected?

Better Legislation.

While a better understanding of the functions and elementary principles of life insurance by the general public is fact that the full effect of general education upon life insurance legislation can be realized only gradually, and that the legislative situation is a serious one now and should be dealt with effectively at once. I would like, therefore, to offer two suggestions for your consideration. In the first place, I feel that those in charge of a comprehensive educational campaign should so organize their efforts as to be ready, whenever a legislative situation presents itself, to focus attention and to train the educational battery directly upon Mr. Lawmaker. In this respect there might advantageously be established a legislative insurance reference bureau, so organized as to always be on a war footing and, whenever unjust war is declared on life insurance, be ready to take the offensive. This bureau, while it should also assume the initiative for constructive work, should be so organized as to promptly show, through the press and by direct appeal to the lawmaker, the relation of the proposed legislation to the proper functions and the correct theory of life insurance. It should also try to have in advance and available at any time a telling summary of the best legislative and literary thought on the subject under consideration in foreign countries as well as the progressive States of this Union.

Secondly, I wish to add another suggestion, viz., that an educational campaign affecting legislation might be organized advantageously by districts with a view to reaching the individual legislator through the weight of representative public opinion, and not merely the chairmen of committees, the

New England Mutual Life Insurance Company

Boston, Massachusetts

Chartered 1835

Alfred D. Foster, President

D. H. Appel, Vice-President

Past

For more than seventy years, the Company has stood for the **Best in Life Insurance.** Strict adherence to sound principles laid a broad foundation for the

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period of growth and prosperity. With policies approved by the discriminating, an efficient agency organization, a rapidly increasing business, and an established reputation for fair and honorable treatment, the Company confidently anticipates a

Future

of even greater achievement. The interests of its policy holders will be guarded as zealously as in the past, and the most liberal protection furnished at reasonable rates.

1835—New England Mutual Life Insurance Co.—1914

sponsors of bills, or a limited few. Our government is one of the people through their representatives and in the long run is responsive to the weight of public opinion. Numbers count. Judicious organization, therefore, among the enterprising salesmen of life insurance in the various localities, with a view to procuring action on the part of influential policyholders, will do much to let each individual legislator know the weight of sentiment among his constituents and will prove telling in its effects. This organization should again be constantly ready for instant mobilization and there should be no watchful waiting. While the plan may have its practical difficulties, I feel that the proposed legislative insurance reference bureau, already referred to, might be made to lend itself to the effective organization and direction of the measures involved.

Life Insurance Education in High Schools, Educational Courses, Business Schools, Colleges and Universities.

Our educational program, as outlined thus far, is designed to have a reasonably immediate effect. I wish now to discuss a phase of life insurance education which will be slower to yield fruit, but which will be certain in its productivity and which should by all means be developed. Reference is had to life insurance education in high schools, Y. M. C. A. educational courses, business schools, colleges and universities. Just as an excellent school system means a progressive and growing nation, so the introduction of life insurance education in that school system will mean the advancement of life insurance. Adults may read and many are sure to forget, but drill a young man (and I emphasize the drilling) in the uses, functions and basic principles of life insurance and in man's sacred duties in relation to that institution and he will remember a great deal. Let us not forget that the student of to-day becomes the family head, business manager, teacher, agent and community leader in the pulpit, the press, the school and the legislative hall to-morrow; and if a knowledge of the uses and functions of life insurance is drilled into the minds of the young, and they are given the proper habit of thought, we may be sure that they will at the proper time translate that thought into action not only as regards themselves, but also in advising their fellow man.

Personal Experience.

I may be pardoned for feeling deeply on this subject, because in my own humble little way I am doing my best to teach life insurance to about 200 students a year. My meaning can best be expressed by a few examples. Every year an hour's lecture on the use of life insurance as a means of safely financing a young man without tangible collateral, except his health, good name and a willing relative or friend, has caused a number in the class to use the plan as a means of financing themselves through college, thus enabling them to give their undivided attention to the work before them. Every year, judging from the interviews, a fair percentage of the boys induce their fathers to take out insurance on their lives, and some take it themselves for the protection of a parent. Hardly a week goes by but what some former student writes me concerning some type of policy and some particular use to which life insurance may be put, and they often add that I may still remember their having been in the class in such and such a year. Only about a month ago a student who seven years ago took the general insurance course in our Evening School of Accounts and Finance as a part of a general business education asked me to meet him to talk over some insurance matters. This young man has been eminently successful and has worked his way to a directorship in a manufacturing corporation employing some 1,200 men. At our meeting it was evident that he still remembered the explanation of the business uses of life insurance and that he had not only amply supplied himself with protection, but had been instrumental in convincing the directorate to hedge the company against the loss by premature death of the one man in the business who was its chief asset financially and mentally. Not only had \$250,000 of insurance already been taken on this man's life in the interest of the business, but the management had just decided to take \$500,-

000 more. This ex-student frankly told us that he was deeply concerned personally because he had his nearly all in that business.

I trust I may be pardoned for making these references. They are merely mentioned as little incidents to show that the young—the students—of to-day become the managers of business establishments and the heads of families to-morrow, and that if the uses of life insurance are forcibly brought to their attention it is not unreasonable to expect that in time that knowledge will be put to profitable use. Some agent secured those commissions, and the foregoing incidents are merely mentioned to show that education through our schools and colleges, as well as along the other lines mentioned in this paper, will ultimately prove a business asset of no mean proportions to you agents. Allow me to suggest, therefore, as another phase of a comprehensive educational program that you gentlemen use your influence in establishing life insurance courses in the schools, colleges and universities, located in your respective localities, and that those of you who can speak and write ungrudgingly assist in getting the courses successfully launched. You must appreciate the dearth of teachers in the subject, and it therefore devolves upon life insurance men to lend a helping hand for some time to come.

Room for Improvement.

It is only in our higher institutions of learning (with the exception of courses given under the auspices of insurance organizations) that life insurance education has as yet made appreciable headway, and even here there is much room for extension and improvement. According to a compilation prepared by Robert Lynn Cox and others, in 1910, it appears that in that year 263 American colleges and universities, or 45 per cent. of the total number canvassed, treated the subject in some form. Of this number, however, 191 considered the subject only in connection with other courses, such as economics and sociology, and 39 more confined the instruction to their law departments. Only 33 colleges and universities in 1910, and about 50 in 1913, in nearly all cases comprising the larger institutions of the country, offered special courses in life insurance. But in the great majority of these instances the courses, largely owing to the absence of qualified teachers, are devoted to a discussion of the historical, economic and social phases of the subject, and too little emphasis is given to the practical side of the business, such as the various uses of insurance, the methods of arriving at rates, the relative merits of various types of contracts and the practical application of the principles which underlie the business. It is right here that those of you who are giving your best thought to the working out of an educational program can use your influence to making the content of the courses such as to lead to the greatest good to the greatest number.

In working out a system of life insurance education for our educational institutions the content of the courses, aside from the method of instruction, is of transcendent importance. Opinions will naturally differ in this respect, but with your permission I will offer the following suggestions:

Courses in High Schools.

(1) Life insurance, so vitally affecting nearly every man and woman in the community and so intimately related to the welfare of the masses, should find some place in the curriculum of our high schools, preferably in the senior year. It is necessary to reach the largest possible number, and our colleges and universities reach directly only a small proportion of the nation's total student body. The courses offered in high schools must in most instances, although there are no doubt special exceptions which the teacher may best judge in view of the progress observed in the class, be simple, non-technical and non-mathematical, and may be restricted advantageously to an explanation, chiefly by way of detailed illustration, of the reasons why it is a duty to insure under certain circumstances, the practical uses to which life insurance can be put, the distinctive features of the few main types of policies and the general application to the business.

The Profession of Life Underwriter

WHAT IS A LAWYER? What is a clergyman? What is a physician? An expert!—trained to do a work which none but the members of his profession are capable of doing. And each of these three professions has its code of ethics. The conscientious life underwriter does a work which no other insurance underwriter is capable of doing. And as with the lawyer, the clergyman, the physician, the life underwriter's service is so exclusive, and is so distinctively based upon knowledge, skill, and confidential relationships, as incontestably to rank life underwriting as a profession. And the profession of life underwriting has its code of ethics.

The higher a man rates himself, the higher will he be rated by others if he is worthy of their heightened esteem. And it is the same with a profession. Wherefore every lover of the business of life insurance, and every member of the life underwriting profession, should support the local Life Underwriters' Associations and the National Association of Life Underwriters in the great work which they are doing to establish an ideal, yet practical, standard of ethics and of professional skill. The Massachusetts Mutual could not be content to be regarded or to regard itself as a mere spectator of the work of the Associations. We, in our own sphere of work, steadfastly endeavor to cultivate in the public mind the Associations' estimate of the business of life insurance, and we are joined with our representatives in supporting the Associations' principles of professional ethics.

We believe in the Life Underwriters' Associations, we honor the profession of life underwriter, and we wish for the National Association the great success to which evident usefulness gives it rich desert.

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL LIFE INSURANCE CO.
SPRINGFIELD, MASSACHUSETTS

Incorporated 1851

of the mortality table and the reinsurance reserve principle.

(2) Life insurance education in colleges and universities, however, should also be emphasized by all means, since, to an increasing extent, as is fully demonstrated by such publications as *Who's Who in America*, college graduates become leaders in the community and in themselves are educational forces in their respective localities. Do not forget that nearly all teachers in high schools are college graduates, and please reflect what a magnificent thing it would be for the educational program undertaken by this association if clergymen, editors and legislators had at some time during their college course had the benefit of instruction in the uses and principles of life insurance, even though such instruction were given only in connection with a general course in economics. How much easier it would be under such circumstances for you to enlist their valuable co-operation in a non-partisan campaign.

Program for Higher Institutions.

On several previous occasions I have been asked to outline an educational program for higher institutions of learning, the last time as recently as May, 1913. Since I have had no occasion to undergo a change in views, I will quote in part the program as outlined at that time (*The Spectator*, May 1, 1913, p. 34):

"It must be clear that it is quite impossible to treat thoroughly the complicated subject of insurance in a single course (as that word is understood in college life) and at the same time adapt that course equally to the needs of those students who expect to enter the insurance business and those who wish only the general outlines of insurance for the assistance which such knowledge may render them while engaged in other business pursuits. A single course will inevitably prove either too general and wholly inadequate for the special students preparing for the business, or too technical and uninteresting for the general student.

"To present the subject adequately and in accordance with the needs of different classes of students, the writer would suggest the following program, although he appreciates that its full adoption must be limited to the largest institutions and must necessarily depend upon the number of candidates offering themselves for the respective courses:

"1. The establishment of special courses in actuarial science. These courses can advantageously be given in the department of mathematics. Ordinarily they will have a limited attendance and applicants in the majority of instances will find it essential to supplement the course, especially by way of preparation, with other mathematical courses offered in the same department.

Course for Solicitors.

"2. The establishment of a separate course in life insurance adapted to the needs of those who intend to become solicitors or otherwise become connected with various departments of the business. The instruction in this course should be technical in character and cover the field thoroughly, with the exception of the higher mathematics. If the attendance warrants, this course should be followed by an advanced course in the organization, practise and law of insurance, which will afford special opportunity for study along lines which individual members of the class may especially desire to follow. Students in the actuarial group would find these courses a valuable supplement to their actuarial training.

"3. The establishment of a general course adapted to meet the needs of those students who desire only a general knowledge of insurance and who take the subject as a part of a general business course. This course should not be made nearly so technical and detailed as the special course and should emphasize the economic uses of insurance and acquaint the student with the general principles underlying sound insurance, the meaning of the various types of policy contracts and the advantages and disadvantages of each."

Before leaving this subject let me refer to the absence of, and necessity for, a proper text on life insurance for class-room instruction. Probably no business has so vast a

literature as life insurance, but that literature either deals with the treatment of special subjects or, where it aims to handle the subject as a whole, is too mathematical and overtechnical for the average student, or has running through it more or less of a partisan flavor. A comprehensive text-book for general use, as distinguished from the need of the specialist, should in my opinion comprise the following content: The introductory part should deal with the nature and uses of life insurance, and its chapters should discuss the economic concept of life insurance, its family uses, its business uses and the meaning of the leading types of contracts used, together with a detailed explanation of the advantages and possible shortcomings connected with each. This portion of the volume should be written in such a manner as to adapt the book not merely to beginners of the subjects in colleges, but also for use to the layman and to students in high schools.

Another part should deal with the scientific aspects of life insurance and its chapters should present the essential considerations connected with the factors and assumptions underlying rate making, mortality tables, ascertainment of the net premium for the most important types of contracts, loading, the reserve, surrender values, policy loans and the surplus. Having in mind again the layman and the student, this part of the volume should be as non-mathematical in character as possible and only simple mathematics should be used to make clear the scientific foundation that underlies correct principles.

Another part should present a discussion of (1) special forms of life insurance, such as fraternal, industrial, group and total disability insurance, and (2) the problems connected with life insurance investments, taxation of life insurance companies and government regulation of the business. A proper understanding of these subjects requires a knowledge of the facts in the two parts preceding, and for this reason their treatment in a text should be postponed to this portion of the volume. Lastly, another part should furnish a classified statement of those essential legal principles governing life insurance in which the policyholders and agents are most interested. Chief emphasis should be placed on the law relating to the beneficiary, assignment of policies and insurable interest. The text throughout should aim to furnish a statement of the essential facts, principles and practices as they exist in connection with the foregoing subjects and opinions and argumentative matter should be excluded.

Educating the Agent.

Few have the good fortune each year of having longer talks with a greater variety of life insurance agents than myself. I like to hear them unfold the various angles from which they view their vocation and seek to land business. Many are frank in telling me that they "don't put much stock in all this talk about education." To them there is an immeasurable gulf between theory and practise; in fact, no relation whatever between the two. Now I wish to differ with that view. There are few businesses, if any, which present such a mixture of theory and practise as life insurance. It is impossible to separate the two. In the pursuance of your vocation, despite the fact that you are entitled to view your efforts from the standpoint of commercial gain, you nevertheless are and always will be as a class essentially teachers, persuaders of men and the missionaries of a great and noble propaganda. If this view is correct, it follows that the more you know about your complex subject the better for the people whom it is your duty to serve. The agent should not only be a student as well as a teacher all his life, but he should grasp the truth in the saying that "theory without practise to test it, to verify it, to correct it, is idle speculation; but practise without theory to animate it is mere mechanism. In every art and business theory is the soul and practise the body."

A Profession or Occupation?

The attitude of the average agent toward the whole broad plan of life insurance education will necessarily depend upon his attitude toward the professional standing of his work.

“WHAT THE EQUITABLE OFFERS”

What the Equitable offers is the title of a booklet listing in detail the many attractions and advantages of Equitable policy contracts.

While intended for the prospective insurer, it will interest any insurance salesman who is curious to know why Equitable policies sell readily, renew steadfastly and meet every conceivable need of all classes of insurers. A copy will be sent to any address on request.

The Equitable
Life Assurance Society
of the United States

165 Broadway, New York

• W. A. DAY, President

i. e., does he regard his business as a profession or merely as an occupation? Life insurance salesmanship must be given the status of a profession—a high calling—both as regards the methods pursued and the quality of the service rendered. If this is done you will certainly have the right to feel that you are identified with one of the noblest professions in existence, ranking with those of the ministry, law, medicine and teaching. As I have stated elsewhere, “where the doctor fails to save the head of the family and where the pastor can only console, the agent may feel the supreme satisfaction of having been responsible for effecting a contract, the proceeds of which, partially at least, continue the earning capacity of the deceased and protect the dependents from want.” The agent who, as a result of a life’s work, has sold, let us say, three or four million dollars of life insurance—yes, any agent whenever selling a policy—has a right to feel that he has performed in a practical way a very noble service to his fellow men in staving off worry and want.

Responsibility of Agents.

The term “profession” implies expert knowledge and has been defined as “a vocation in which a professional knowledge of science or learning is used by its practise to the affairs of others, either in advising, guiding or teaching them, or in serving their interests or welfare in the practise of an art founded on it.” If life insurance salesmanship is to have a professional standing, it is necessary for its representatives in the field to meet the standards of this definition. It will always be the case that most prospective buyers of insurance will be in the agents’ hands in the same sense that they rely upon their physician and lawyer; and it will also always be the case that for a large portion of the community agents will be the only practical life insurance educators. This being the case, it is necessary that agents should know their subject, and appreciate to the fullest their obligations to the client. It is not expected that agents should spend their valuable time in always telling all that they know. The application of knowledge need not necessarily involve long explanations, except where requested, and, like the physician, the agent can diagnose his case and conscientiously perform his service without necessarily explaining his every act in detail.

It is in the agent’s power to do more than any other factor in the business toward placing life insurance on a high level in the estimation of the community. To this end he should understand the scientific features of the business, such as the fundamental principles underlying rate making, the operation of the reserve, the sources of the surplus and their interpretation, etc. Many simple questions frequently directed to agents require this knowledge for an unevasive answer. Through the possession of this knowledge agents will also avoid the very common practise of making meaningless and frequently unjust comparisons between companies and types of policies. Agents should also be in a position to advise as regards legal phases of the contract. They should be equipped to impart to prospective clients the various uses of life insurance and be *able* and *always willing* to fit the policy to the true needs of the insured.

Students Always.

As already stated, life insurance salesmen should be students throughout their career. They should strive to keep abreast with the best that is said and written about life insurance. And permit me to make the further suggestion that, if possible, agents should acquaint themselves with the leading facts surrounding various business activities, especially in view of the growing importance of so-called “business life insurance.” Only a few months ago a member of this association who is taking a very active interest in this association’s educational campaign, and who is making a specialty of business insurance, told me that he is pursuing a well-known correspondence course in business organization and management and volunteered the information: “You don’t know how valuable that course is to me in my business.”

The foregoing educational program is presented with the earnest hope that every life insurance man will support it with his effort and means in so far as he believes it correct, and with the sincere conviction that its systematic application, even in part will greatly increase the volume of outstanding insurance, will tend to improve the legislative situation, will strengthen the confidence of the people in life insurance and its representatives. Life insurance education, to reach the masses, and this is the real purpose to be accomplished, must not assume merely one form, but many, and unified action among companies and agents is necessary to obtain the best results.

A public sentiment—a habit of thought—must be developed, and to this end we should all co-operate to get life insurance on the program wherever and whenever possible. The important thing is to successfully launch the campaign and give it momentum. I have been told that it is your plan to devote a contribution of five cents per \$1,000 insurance written for the furtherance of this association’s campaign. This is certainly not excessive. The contribution of this sum to the cause will not only prove profitable to the givers, but is bound to make their lot much easier. Like the kernel of corn whose product, if planted during successive seasons, will soon cover the nation with corn, so the seed of life insurance education, sown from the pulpit and the lecture platform and through the schools, the colleges, the press and non-partisan advertising, will soon cover this nation with life insurance.

OPPORTUNITIES FOR SERVICE IN THE CONSERVATION OF LIFE AND HEALTH BY LIFE UNDERWRITERS.

Message from Hon. William H. Taft, Former President of the United States—A Practical Plan to Encourage Policyholders and Others to Lead More Healthful Lives—(Read by President Ernest J. Clark).

POINTE-AU-PIC, Canada, Sept. 6, 1914

MY DEAR MR. CLARK:—I greatly regret that I cannot be present, in response to your kind invitation, at this year’s meeting of the National Association of Life Underwriters. I am very sure that in your discussions I would have much interest, and that I would derive from the valuable papers read much useful information.

In the agitation for social changes and radical innovations in economic and governmental policy, much of which tend toward socialism, we hear much of the great results that are to be anticipated from the impartial and beneficial use of the capital of the whole country by governmental agencies, and the more equitable distribution of the profit from its use among all the people.

We have all changed our ideas somewhat from the days when the *laissez faire* economic doctrines prevailed, and the Jeffersonian idea was upheld as the correct one, that the life functions the Government had to perform the better.

We agree that there are functions which the Government, by reason of the peculiar subject matter, may perform in the interest of society better than aggregate private capital, but this must be the exception. The comparative in efficiency of the Government, due to the intervening of political considerations, the absence of the spur of private interest and anticipation of greater reward for industry, generally makes private enterprise in financial and industrial matters more useful than paternal methods.

Where the abuses of monopoly arise it is, of course, necessary to pass and enforce regulative laws, or sometimes to go beyond regulation, and have direct Government management, but, on the whole, where considerations of the kind I have spoken of do not demand the appropriations of the people’s money for government-manager enterprise, it is much wiser that the union of capital, and the co-operation of all who are saving, shall be through private agency.

The wonderful success that the managers of life insurance

SERVICE

is the foundation stone of success. This Company, chartered by the State of Massachusetts, and conducting its affairs under the laws and supervision of the thirty States in which it transacts business, issues Life insurance policies, annuities, and Accident and Health insurances. It grants insurance protection to its policyholders at low guaranteed rates. In the event of permanent and total disability it waives the premiums and protects the insurance against lapse, at the time when the insurance is most needed and could not be replaced if lapsed. Its contracts are brief, clear, and definite. They are so arranged and so free from lengthy or technical provisions that every policyholder can ascertain his rights at a glance. With low rates, prompt attention to the policyholders' needs, brevity and clarity of contracts, prompt and unquestioned payment of every just claim, and a representation of its interests throughout the country by intelligent and upright agents, this Company seeks to give sound service to the public.

It issues all forms of Life, Limited Payment Life, Endowment, and Income policies; has an unusually complete equipment of policy forms, literature, and other working tools for the agents; gives them the advantage of issuing for their patrons the most thoroughly protective Accident and Health policies ever devised, and seeks in every way to comprehend the problem of the agent and co-operate with him to make his work successful.

Excellent opportunities are open for capable and progressive men.

For information address

THE COLUMBIAN NATIONAL LIFE INSURANCE COMPANY

BOSTON, MASS.

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President

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Vice-Pres. and General Manager

companies have had in serving the people of the country, and serving them well, is one of the most significant and conclusive evidences of what can be done, by private enterprise, under reasonable governmental regulation.

Under the influence of demagogues and unthinking political aspirants a fundamental error has crept into the minds of the people. This is a conception that great volumes of capital invested in the industries of the country, in life insurance companies, in railroads, in great industrial enterprises, are owned by the multi-millionaires, who take their profit on the capital and squeeze the earnings of the servants of the companies down to the lowest point; and that these owners of wealth are few in number and that legislation directed against capital, and tending to reduce the profit on its use, is legislation directed against a small class of persons, against the greedy and fortunate oppressors of the people. Of course this is utterly fallacious.

Peculiarly Useful.

The amount of money owned by men who have over \$100,000, as compared with the aggregate owned by all the rest of the people, is a very small fraction. The genius of American business men and financial leaders has been directed to devising methods for the accumulation into funds of useful size, of the savings of the poor and the moderately circumstanced, the wage-earner, the farmer, the clerk, the employe and the professional man; and the agencies which promote such saving, and which are directed to the securing of reasonable profit and reward for such saving are the agencies which should be encouraged, and are agencies which illustrate the advantage of private management over public management. Savings banks are such an agency, trust companies are another, but prominent among them, and peculiarly useful in many ways, are the great life insurance companies of the United States.

Not only do life insurance companies gather in, for purposes of prudent and profitable investment, the savings of the wage-earner, the clerical employe and the professional man, but the system they adopt is one which is a constant stimulant to further saving. The fear of the lapse of the policy and the loss of the promised boon effects a useful compulsion upon weak human nature and secures the continuance of a good course once begun. It concentrates the love of wife and children into a moving cause for greater industry and self-restraint, and furnishes a mental comfort and serenity with reference to the future of the dear ones at home, when the bread-winner is taken from them, that works inestimable good.

It would be, therefore, a great honor to come to your meeting as the guest of the men who maintain and control this wonderful machinery for the practical elevation of society, which has been organized through private enterprise and for reasonable profit, without the factitious aid of governmental appropriation, and without the intervention of the demagogue or the advocacy of the vote-seeker.

Helping Society.

Life insurance constitutes a real means of helping society, which, unlike many of the nostrums of the present day, demonstrates its usefulness in the efficacy of its results, and in figures that do not lie.

I hope I may venture, in this letter of regret, to refer to the one beneficial result of life insurance that may, I think, be greatly enlarged and may be turned into a benefit to society and the individual members, without necessary association with life insurance, although its peculiar utility in the business of life insurance is demonstrable.

It often happens that young men, or men of middle age, rejoicing in a strong constitution and apparent good health, have so used themselves and neglected the wise rules of hygiene as to develop incipient organic troubles that work slowly, but surely, to sap the physical foundations of life.

When a man thinks of taking life insurance he is confronted with an examination into his physical condition, into the healthy state of his vital organs, and there is brought to him, in a way impossible otherwise, the danger he is in of

shortening his life, and of the necessity for a change on his part in the treatment he is giving to the body under his control.

I doubt not that temporary rejections and absolute rejections of applicants for life insurance have done great good to the subjects of the examination by startling them into a new and a better physical regimen, and by making them realize that Providence has made them trustees in the management of a beautiful and complicated machine which will last just in proportion to the proper treatment they give it.

It has occurred to persons familiar with the business of life insurance that this benefit could be greatly enlarged, to the profit of life insurance companies, therefore to the profit of their policyholders, and certainly to the physical profit of those whose lives are insurance risks.

Free Examinations.

It is proposed to the insurance companies to offer to everyone of their policyholders, or to any class of their policyholders, an opportunity for periodical free examinations as to their physical condition, and if defects are discovered, under modern methods of examination and test, to tell them what those defects are, to give them the latest scientific discoveries as to the means of remedying those defects, or mitigating their injurious effects, and thus to enable them to lengthen their lives.

It is recognized that though this offer be one without cost many will not care to accept the benefit of it, but experience shows that a substantial percentage of the insured will do so, and that a fair proportion of those thus informed will change their methods of life and increase their years.

The actuary of any insurance company can show what a profit to the company and the policyholders the increase of one year in the life of a substantial percentage of the insurance risks would bring about. Medical statistics seem to show that while the average length of life has been increased, this increase is due rather to the cure of contagious diseases and the betterment of hygienical conditions, with reference to their spread, than of those organic troubles that come to men and women after the age of forty, due to defective conditions in the kidneys, in the heart and in the arteries.

Now it is just in relation to the heart and the kidneys and the arteries that examinations can be made most searching, and that diet and regimen can be made most effective to mitigate the degeneration in these organs.

It seems to me, therefore, not only a wise course, but one that insurance companies ought to adopt, to take some method to encourage their policyholders to lead more healthful lives.

The Life Extension Institute.

There is a company called the Life Extension Institute, begun with philanthropic purpose to encourage and conduct such examinations at small cost, and to promote the interest of insurance policyholders and others in their physical condition and to lead them to consult their ordinary medical advisers on the basis of the information which they receive from such examinations.

Without a dollar's interest in the stock of the Institute, I have become chairman of the board of directors in this enterprise, because I believe that it is likely to prove most useful in lengthening valuable lives. Those of us who have gone into the matter believe that heads of great industrial enterprises, of railroad companies, of banking companies, with many employes, will find it to the advantage of the companies and of their employes to have regular examinations made of the physical condition of such employes, and that it will induce, in the case of many of them, reform in regimen which will add years to their lives and render them more effective in the work upon which they are engaged.

The real business advantage and profit that the carrying out of such a plan will effect must be known more clearly to life insurance men than to any other class of business men in the community, and it seems to me not only good policy for them, but also their moral duty to encourage this movement and thus add another to the many benefits which life underwriting has brought to mankind.

State Mutual

of Worcester, Massachusetts

Incorporated 1844

Burton H. Wright, President

SERVICE is the most abused word in the dictionary of advertising; it is so many times used to catch the unwary.

Webster's definition of **SERVICE**: "The performance of labor for the benefit of another," is just exactly what we have in mind, so that, when we say **SERVICE**, we mean we will give a fair and heaping measure of careful and skilled attention to the best interests of our policyholders.

Our kind of agents are attracted by this kind of **SERVICE**. Their success and happiness are due to their confidence in and loyalty to the company's high standard of efficient **SERVICE**.

We sometimes have an opening for just the right man. We have one now. If your ideals measure up, drop a line to

EDGAR C. FOWLER, Superintendent of Agencies
State Mutual Life Assurance Company
Worcester, Mass.

OPPORTUNITIES FOR SOCIAL SERVICE BY LIFE UNDERWRITERS IN THE FIELD OF LIFE CONSERVATION.

Elmer E. Rittenhouse, President Life Extension Institute, Addresses Convention, Calling Attention to at Least 900,000 Postponable Deaths Annually—Emphasizes the Value of Periodic Health Examinations.

Americans are inexpressibly shocked at the appalling destruction of life and treasure that has been going on in Europe. Indescribable woe suddenly came upon hundreds of thousands—and perhaps millions—of prosperous, happy and contented people.

Among the results will be not only an appalling waste of human life, but a vast multitude of widows and orphans, and a great army of maimed, crippled and disease-racked bread-winners, whose sufferings from poverty and disease will reach far into the future. And to these must be added a great body of non-combatants, whose earning capacity and property will have been partly or wholly destroyed. Naturally Americans sympathize keenly with these sufferers from this barbarous war.

But while sympathizing with these countless victims of the great war in Europe, we must not forget the victims of the still more deadly conflict that is constantly going on in our own peaceful fatherland.

The most extravagant estimates of the total killed and injured when this war is over falls far short of the number "killed and injured" every year in our country by preventable disease, and yet this great annual calamity of ours excites little comment and virtually no expressions of regret or sympathy go to these victims of the enemy here at home.

In Europe the people feel that they are sacrificing life and treasure for a patriotic purpose. In their war lives are being destroyed by human design; in our war, by human neglect. In their war they are battling desperately to bring the slaughter to an end; but in our war our efforts to conquer the enemy are feeble indeed compared to the magnitude of our annual loss and of our task.

The Magnitude of Our Loss.

The 650,000 lives annually destroyed in our country by diseases of the preventable class would give us in "killed" alone a Franco-Prussian war (of 1870) every three months. They would exceed the number killed in all the American wars, commencing with the Revolution. They nearly equal the aggregate population of Cincinnati, Columbus and Dayton.

Let us suppose that the population of these three cities were scheduled to be destroyed from preventable cause on a given day. The announcement would shock the civilized world and touch the hearts and purses of millions of sympathetic and generous people, and the imperative duty of trying to save those lives would be promptly performed.

But is the loss any the less real; is the misery and distress which precedes and follows this life-waste any the less genuine, because this mortality and misery is distributed throughout the homes of the nation and throughout the year?

Isn't it worth while to give more than a passing thought to this great annual battle of ours, which claims every decade about 6,500,000 American lives?

900,000 Postponable Deaths.

So much for diseases that can be prevented. But did you ever think of the enormous number of lives prematurely destroyed because the attack of disease is discovered "too late"?

It is safe to say that our failure to detect and treat disease in its early stages results in at least 900,000 postponable deaths annually. These deaths (60 per cent. of the total) could be postponed from a few days to a number of years if detected and treated in time. If each were postponed an average of but one day, 2,500 years of life could be saved annually.

The practice of having periodic health examinations is steadily growing among our people, and when it becomes gen-

eral (which it is sure to do in time) a vast number of these lives will be prolonged and made better.

Our annual economic loss from preventable deaths is estimated at \$1,500,000,000 and from fire waste \$250,000,000. Although our loss from life-waste is six times greater than from fire-waste, American cities spend five times as much to prevent fire-waste as they do life-waste.

A Popular Movement.

While the life-waste in our country, as you have noted, is still excessive, we all know that spurred by the achievements of science, a wonderful awakening of the public conscience upon this question has occurred in recent years.

The public health service has been improved; and volunteer organizations devoted to various phases of health educational work have sprung up all over the country. The desire to raise our standard of health and to strengthen the vitality of our race is rapidly becoming one of the great national aims of our people. We are gradually learning that if it is a good thing to *relieve* distress, it is a much better thing to *prevent* it.

The Life Extension Institute, Inc., with which I am associated, was organized for the purpose of helping to crystalize this universal sentiment into action. It is designed, as you may know, as a self-supporting philanthropy. In addition to disseminating knowledge of personal hygiene and disease-prevention generally, it advocates the practice of periodic health examinations. It is now supplying these examinations not only to policyholders, but to employers for their employes in the mercantile and industrial world, and also to individual applicants.

The knowledge gained so far by our examinations fully demonstrates the urgent need for such a service, and we believe that in the course of time our Institute will become a very useful and important factor in reducing needless suffering and mortality and in improving the physical fitness of our race.

It is with the hope of encouraging the growing sentiment in favor of health and life conservation that such extremely busy men as former President Taft, General William C. Gorgas, M.D., Honorable Frank A. Vanderlip, Dr. Alexander Graham Bell, Surgeon-General Rupert Blue, Professor Irving Fisher and about 100 other men prominent in science, especially in the field of race betterment, have given their support and are donating their services to the Life Extension Institute by serving on the board of directors and the hygiene reference board.

Life Insurance Should Lead.

I have urged for a number of years, as some of you gentlemen know, that life insurance belongs at the head of the procession in this great movement. Life insurance cannot afford to stand still. It should be constantly searching for opportunities to broaden its service and increase its usefulness to mankind. Here is such an opportunity.

The first direct application of the life conservation idea in life insurance was made about five years ago, but met with scant support among insurance men; in fact, this action called forth much adverse comment. We have, however, in these few years lived to see this unfavorable attitude almost completely reversed.

I understand that now about ten companies are giving periodic health examinations to policyholders, and that more are seriously considering the advisability of doing so. In my judgment it will be but a few years when all companies will be engaged in this work in one form or another; therefore, a knowledge of the plan and its underlying principles should be a part of the education of every life insurance man.

As a matter of fact, I believe all national organizations of life insurance men have approved the idea by resolution or otherwise. Your interest in this subject is indicated by a resolution passed a year or so ago, and also in other ways, including the presence on your program of the topic I am now discussing.

Resolutions and moral support are, of course, of great value in a movement of this kind, but if lives are to be saved we must do more than merely commend the movement.

The
Double Benefit Family Policy

will soon be placed on the market by

**THE GERMANIA LIFE
INSURANCE COMPANY
OF NEW YORK**

Another evidence of
PROGRESSIVE METHODS

This policy is economically perfect. It combines the
MAXIMUM of PROTECTION
during the productive years with a
COMPETENCY for OLD AGE.

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For particulars and Agency Contracts for
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HOME OFFICE

50 UNION SQUARE

NEW YORK CITY





TWENTY-FIFTH ANNUAL CONVENTION NATIONAL ASSOCIATION OF LIFE UNDERWRITERS.
CINCINNATI, O. SEPTEMBER 14, 15, 16, AND 17, AT HOTEL GIBSON

It is freely conceded that the general death rate can be reduced. This means that insurance mortality can also be reduced. Very many life insurance men are now in accord with this sentiment. All hands have had several years to think over it, and the time has come when it would be reasonable to expect practical action on the part of this and other life insurance bodies.

I take it that your association is leaning strongly toward this conclusion, for I am, in effect, asked this question:

Some Fundamentals.

"How can we help in this conservation work, and how will it help us?"

The first essential is to take a live interest in the subject, understand its fundamentals and appreciate its importance. If you will get these things firmly fixed in your minds, the necessary enthusiasm will naturally follow and you will have no difficulty in learning how you can help and how it can help you.

Before attempting to answer these two questions I would like to call your attention to a few fundamentals, with the hope that you may be permanently impressed with their significance.

Four out of every ten deaths are from preventable disease, and at least six out of every ten deaths are postponable if the disease is detected and treated in time.

Two persons now die from the preventable or postponable diseases of the heart, arteries and kidneys, where one died 30 years ago.

The chance of early death after passing age 40 has steadily increased for years, increasing the urgency of early insurance.

The greatest asset of a life insurance company is not the money, but the *lives* of its policyholders—and they should be conserved accordingly.

If it pays to insure lives, it must pay to prolong them. The lower we can maintain the mortality level, the greater will be the mortality savings. Therefore, it is obvious that every life prolonged among policyholders operates to reduce the cost of life insurance.

A dollar saved from reduced mortality will buy a policyholder as much as a dollar returned to him from any other source.

If it is worth while for the American life insurance companies to spend over seven million dollars annually for medical service before applicants are insured, to maintain a low mortality rate, is it not worth while to spend a reasonable sum after they are insured to accomplish the same purpose?

Assuming that 30 per cent. of the mortality among policyholders is preventable or postponable, this life-waste last year cost American companies and their policyholders 63 million dollars.

Yearly Rejections.

It is estimated that 100,000 applicants for life insurance are rejected every year for health impairments; 42 per cent., or about 42,000, of these people are declined because of impairments of the heart, arteries and kidneys. Adding other preventable impairments, raises the number to about 60,000.

Think of the cost of these examinations and of the time, labor and money it took to get these people to the examiners!

Think of the insurance protection lost because of the ignorance or neglect of these people in caring for their health!

In 1910 there were 3,167,232 widows in the United States; fully 60 per cent., or 1,266,893, of them were robbed of their breadwinners by preventable or postponable disease.

If it is necessary to *insure* a life because of its great value to the family and to society, is it not right to *save* a life for the same reason?

You want policyholders not only to keep well insured all their lives, but if possible, to keep well and strong all their lives. Few sick people can earn and lay by money for insurance premiums or for any other purpose.

Periodic health examinations are necessary because most of the sick people in this world are not on their backs, but on their feet trying to work. Science should aid them before they are physically "down and out."

Policyholders taking these examinations do so voluntarily. This group therefore is in a favorable mental attitude to be influenced by suggestion, and actual experience shows that many are so influenced.

Opportunities for Service.

Now as to the opportunities of the agent in this field of social service.

First, read up a little on this subject. Inform yourselves as you do upon other public questions, such as those of politics and war which all of us discuss so freely.

Then carry the gospel of health and life conservation, personally and through your subordinates, to your policyholders and your friends. It is not necessary to make a hobby of this work, nor to permit it to interfere with your other duties.

It is an easy matter to spread information on this subject if you are interested in it; and the good you would do would surprise you if you could size up the results of your influence at the end of the year.

This course will be especially useful to you if your company is also engaged in this work; but whether it is or not, do not fail to get in the game.

Taxes—Publicity.

Use your influence with voters and lawmakers in public health matters. If your companies must be taxed, why not insist that a liberal portion of these funds be used to reduce the death rate? This will enable you to return some of this tax money to your policyholders in increased dividends.

You have a very able committee on conservation and publicity. Why not give them something to do in the line of health and life conservation? There is no better and no more legitimate channel for publicity for life insurance than through this movement. Bear this in mind. The more you think it over, the more you will be impressed with the correctness of this statement.

Helping Your Community.

Another important means of service is to identify yourselves with public health movements in the communities where you reside. There is not a health officer in this country who does not need your individual and collective support. Make your influence felt as citizens by getting on the health board, if you have one; or by taking an active part in some volunteer organization.

To be identified with the health conservation movement, and especially with those designed to improve the health of your own communities, will not only attract favorable public attention to you, but to your company as well. While thus increasing your usefulness as a citizen, you will also increase your income as a life insurance man.

May I also suggest that you pass a comprehensive resolution commending the splendid achievements of the American health authorities, local, State and national, in guarding the public health, and that you offer them the support and encouragement of your great organization in explicit and convincing terms.

Health officials receive little praise and often much unmerited criticism. Most of them are working for trifling salaries, and are hampered by politics and insufficient appropriations. This resolution should be published and sent to these officials throughout the country. If not contrary to your rules, it might be well to make the health officer in each community an honorary member of your local association, and identify him with life insurance interests in every consistent way. The same compliment might be extended to national officials in connection with your national association.

A National Health Guard.

I am told that there are 75,000 reasonably active life insurance agents in this country. Every one of them should be enrolled in an organization which we may call the National Health Guard, its function being to spread knowledge of the science of disease prevention, and to promote in every legitimate way individual and community hygiene.

We have our soldiers and sailors, the State militia, and the Boy Scouts, all learning how to destroy life if it becomes

(Continued on page 42.)

New York Life Insurance Company

346 and 348 Broadway, New York

DARWIN P. KINGSLEY, President

January 1, 1914.

Assets (market values).....	\$748,497,740
Liabilities (Insurance Department valuation)	642,598,782
Reserve to provide dividends payable to policyholders in 1914 and thereafter as the periods mature, and for all other contingencies	105,898,958
Dividends paid to policyholders in 1913.	15,096,552
Dividends payable in 1914.	17,607,473
Insurance in force.....	2,273,099,212

BUSINESS OF 1913.

INCOME AND DISBURSEMENTS:

Premiums.	\$89,627,788
Interest, rents, etc.....	34,888,601
Total Income.	\$124,516,389
Paid policyholders.....	\$66,628,927
Expenses, including real estate expenses and taxes	13,715,531
Insurance taxes.	1,221,703
Added to Ledger Assets.	42,950,228
Total.	\$124,516,389

INSURANCE ACCOUNT:

New Paid Business.	\$232,827,800
Dividend additions.	2,641,066
Revived and increased.	13,090,393
Total.	\$248,559,259
Terminations and Increase:	
By death, maturity and expiry.....	\$53,589,389
By surrender, lapse, transfer, etc.....	91,669,651
Increase of amount in force.....	103,300,219
Total.	\$248,559,259
Average earning power of all Assets, as of Dec. 31, 1913.....	4.54%
Investments in 1913 (outside of Loans on Policies) \$41,740,459 to earn.....	5.07%

necessary for the protection of our liberties. We have great religious organizations to guard our spiritual welfare here and hereafter. We have our great educational organizations to guard us against illiteracy.

Why should we not also have a national volunteer health organization (with you life insurance men in the lead) dedicated to this glorious work?—a great human salvage corps to teach people not to destroy life, but how to guard it against the hazard of avoidable disease.

While the great nations of Europe are reverting to barbarism and subjecting their people to the brutalizing influence of the most cruel and destructive war in all history, what better evidence could Americans give of their advanced civilization than the organization of such a great body of citizens for the upbuilding of our national vitality, making the average life not only longer, but more livable under the Stars and Stripes?

Here, gentlemen, is an opportunity to make yourselves more useful as citizens; to make history; to glorify both your country and life insurance, which is one of its greatest institutions. Surely this association is well equipped to take a leading part in a movement for a national health guard.

A Conservation Platform.

In order to develop your opportunities for social service in the field of life conservation my last suggestion is that you adopt a life conservation platform and let your policyholders and the public know of your sentiments and urge your members and other agents to act accordingly.

Among these purposes I would include the following:

1. To encourage the education of the individual to adopt healthful habits of living—to avoid the intemperate life, which means excess in eating, drinking, working, playing—and unhealthful indulgence in indolence as well. These are the causes of much of our life-waste from the chronic diseases.
2. To encourage policyholders and others to adopt the habit of going to their physicians for periodic health examinations, for the purpose of detecting disease in time to check or cure it.
3. To give active support to the public health authorities in every consistent way, and also to take an active part in local, State and national health movements to conserve health and life.
4. To encourage business institutions, civic, social and religious organizations, which have influence over any considerable number of people, to join in at least some of the many phases of the life conservation campaign.
5. To encourage communities to establish and maintain ample and properly financed public health organizations consistent with the magnitude of the work in hand.
6. To advocate the organization of a national health guard with local branches in every community to popularize conservation that individual and community health may be improved.
7. To encourage the practice of having a health day in every community at least once a year. This can be merged with clean-up day, which so many towns now have. Parades, school exercises, speeches, athletic and other entertainments could be had to make the day instructive and enjoyable. This could be done under the auspices of the local health guard organization.
8. To advocate an educational bureau in every public health department for the purpose of teaching the public how to avoid not only diseases that may be carried, but *all* preventable diseases.
9. To encourage philanthropy, now so generously contributing to education and for the care of the sick, to enter the field of disease prevention, which it has quite generally neglected.

To sum up may I repeat what I said to the Life Underwriters of Canada at their recent Halifax meeting:

You are interested in this plan of assisting in holding down the mortality rate, not only because it is a good thing for your company, but because it is a good thing for your policyholders and for you.

To engage in this work adds a dignified and attractive fea-

ture to life insurance. It supplies a valuable public service and therefore commends itself to the people. It gives life insurance a permanent and advanced place in a most important world movement for the benefit of the human race. It will help to reduce sickness and to promote longevity. It will encourage persistency among policyholders, and cement their interest and loyalty to their companies. It will assist in attracting new business from the policyholders and from the public. It will increase the prestige, the influence and the usefulness of every agent who takes an intelligent interest in the work in his community.

Every man whose heart is in the right place is glad of the chance to serve humanity. Here is an opportunity for the agent and his company to render a most valuable service to the human family with little cost and without interference with the regular order of their affairs.

ADDRESS OF NATIONAL PRESIDENT ERNEST CLARK.

Review of the Results Accomplished During the Association Year—Special Attention Given to Education, Conservation, Taxation and Membership Extension.

Ladies and Gentlemen: It constitutes a distinct pleasure on my part to express the deep appreciation which we all feel at this generous and hospitable greeting which has been extended to us. Cincinnati and its Life Underwriters' Association have always occupied a most important place in the history of the life underwriters' movement in this country and a warm spot in the hearts of our membership. It was here in 1872 that the first local life underwriters' association in the United States was organized, and in 1900 you entertained our annual convention with that same generous and spontaneous hospitality which has characterized your plans for our comfort and entertainment on this delightful occasion. Many are the pleasant memories of the meeting yet so fresh in our minds, consequently when your most able representatives extended an invitation in such matchless style at Atlantic City last fall there was nothing to do but make its acceptance unanimous.

Allow me, therefore, to express to you gentlemen our sincere thanks for the very cordial welcome which you have given to us on behalf of our hosts, and our hearty acceptance of your hospitality. To me, personally, it is a happy coincidence and a double pleasure to come back to my native city as president of this great National Association after an absence of 20 years from its business and social activities. It was here in Cincinnati that I received my early education and training in life insurance.

My fondest hope is that the deliberations and work of this convention may constitute some of the most important achievements in the history of American life insurance thereby completing a year of activity which means much to the future of life insurance throughout the United States and Canada.

Until the past two years the National Association has directed its major influence and energies toward reforming general improvements in field methods and extension of local associations and, notwithstanding the far-reaching results which have been accomplished in these respects, broader and more extensive work has been undertaken without in any way neglecting these important interests already developed and fostered by preceding administrations.

On Oct. 6, 1913, following the Atlantic City convention I attended the regular annual function of the Pittsburgh Life Underwriters' Association, where it has been customary during the past several years for the newly elected president to deliver his inaugural address and outline for the guidance of all local associations the platform and work of his administration for the succeeding year. At this meeting, the largest and most representative ever held by the Pittsburgh association, I discussed the year's campaign, and what I hoped would constitute a continuous and uncompromising



Home Office Buildings of The Prudential Where Over 3,500 Persons are Employed

The Prudential

FIRST IN BIG STATES

The Prudential stood in first place in 1913 according to published records and the reports of the various Insurance Departments in the following leading States:

STATE	Insurance Issued and Revived in 1913	The Prudential has Held First Place for
New Jersey	\$46,455,660	Sixteen Years
New York	96,645,161	Three Years*
Pennsylvania	76,285,845	Fifteen Years
Ohio	32,426,356	Seven Years
Indiana	21,051,592	Thirteen Years
Illinois	39,676,734	Six Years
Michigan	10,888,521	Two Years
Delaware	2,780,568	Eight Years
West Virginia	4,647,575	Four Years
Kansas	5,715,497	Six Years
Minnesota	6,031,452	Five Years
Colorado	4,262,574	Five Years

*Years 1909, 1910 and 1913.

The Company also attained second place in many other States, and since the close of 1908 has added to the insurance in force on its books nearly a billion dollars, making a greater net gain than that of any other company in the world.

Reliable Men with Selling Ability Succeed as Prudential Agents. Send for Particulars of Contract.

The Prudential Insurance Co. OF AMERICA

FORREST F. DRYDEN
President

HOME OFFICE
NEWARK, N. J.

Incorporated as a Stock Company by the State of New Jersey



campaign for many years to come, under four principal headings, namely: Education, Conservation, Taxation and Local Membership Extension.

Realizing after years of observation and experience the great necessity of a higher and more scientific training of agents, and a more systematic and comprehensive basis of instruction in the fundamental principles and necessities of life insurance for the benefit of the insuring public, the president, executive council and committee on education and conservation have given much time and thought to this important question, placing it in the forefront of our work during the past 12 months.

Education.

The life insurance agent of the future should be carefully selected with special reference to his apparent fitness and adaptability to the work and responsibilities involved. He must then be educated and trained along the most careful and scientific lines in order that he may give to his clients that intelligent and conscientious service which their individual needs, according to varying conditions and circumstances, require, and be able to measure up to the high standards of qualification demanded by the life insurance profession.

The work which has been planned under the supervision of the special committee on education and conservation has also been of far-reaching importance in the interest of the insuring public, which must necessarily result in a more intelligent understanding of life insurance, a deeper appreciation of its benefits and necessities, and with a corresponding future increase in the number of lives written and average amount at risk on each life.

Realizing the great handicap under which our committee labored in the matter of installing educational courses of life insurance instruction in the high schools, Young Men's Christian Associations, colleges and universities, because of the lack of a properly compiled text-book for this purpose, at a meeting of the Executive Council held in Philadelphia on Nov. 17, 1913, the president was authorized to secure some competent person to write such text-book on life insurance, the contract for such service to be first approved by the executive council and committee on education and conservation.

Arrangements for Text-Book.

On Dec. 7, 1913, at a specially called meeting of the council and committee at Philadelphia, the president reported that he had made a most careful and far-reaching investigation as to the method to be pursued by the National Association in preparing a text-book on life insurance during the coming year, also the proper person to act as editor under the supervision of the president and executive council, resulting in the recommendation that Dr. S. S. Huebner, professor of life insurance of the Wharton School of Finance and Commerce, University of Pennsylvania, be selected by the National Association as editor-in-chief, and that the contract for publication be given to D. Appleton & Co., of New York. In addition to Dr. Huebner's unusual capabilities for work of this character, it was found that a more satisfactory arrangement could be made with him, also with the Appleton company, for publication and distribution than could be secured through any other source. Dr. Huebner gives his services to this work on a most reasonable royalty basis, and the entire financial responsibility involved in the publication will be assumed by D. Appleton & Co. on such basis that the book in question (which it is assumed will approximate 200,000 words, 500 pages) will retail at a price not to exceed \$2 per single copy, with various substantial discounts where the book is to be ordered in quantities.

Dr. Huebner is being assisted in the preparation of this important piece of work by Dr. Bruce D. Mudgett, of the same university, in order to expedite the issue of the volume by the early spring of 1915, if possible.

The other interesting features of the education movement, including the many courses of lectures installed in numerous

schools, colleges and universities during the past year, the institutional advertising campaign now in process of completion according to plans approved and adopted by the executive committee at its meeting in New York on April 20 last, will be discussed in detail by the chairman of the committee—Warren M. Horner—in his report at this afternoon's session.

Conservation.

Running in a parallel channel and dependent on education is that of conservation. One of the great weaknesses of the life insurance institution (and which unfortunately is a national characteristic) has been the indifference of both companies and agents to preventable waste. I refer especially to that involved in the disregard on the part of the insuring public to the laws of health, thereby increasing the mortality element, with its consequent increased cost of insurance for those who survive, to say nothing of the enormous amount of life values prematurely and unnecessarily destroyed and the distress and poverty suffered by those dependent on many of the lives involved.

Again this same indifference and neglect is expressed through the enormous amount of waste involved in the lapsation and surrender of life insurance and the unnecessary borrowing on policies, much of which could be saved through the medium of systematic effort and education of the public, and much of it will be saved in future years if the National Association of Life Underwriters continues the excellent work already begun by this administration. However, you will hear more regarding this question later in the convention.

Taxation.

It is not necessary for me in this address to tell you of the magnificent results already accomplished in the fight which we have waged since the Atlantic City convention against this piece of vicious injustice which has gradually fastened its fangs into American life insurance during the past 50 years. Vice-President Edward A. Woods will do that to-morrow forenoon. But I wish to say this much, fearing that his modesty may prevent him from referring to the fact, that the National Association never before made such a brilliant stroke in the interest of the 25,000,000 policyholders in this country as it did when it espoused this problem of life insurance taxation and made Edward A. Woods chairman of the taxation committee. If nothing else had been accomplished this past year than that which has accrued to the credit of our taxation campaign, it alone would have been worth all the time, energy and money spent by the National Association.

The results obtained through the medium of our Atlantic City resolution of protest to the Federal Government in reference to that part of the income tax measure of the tariff bill, whereby refunds (dividends) to policyholders were to be taxed, constituted the final influence, and were secured at the eleventh hour. We effectually stopped any further increase in taxation by the several States this past year. Maryland was one notable example where the politicians of the dominant party had laid their plans for an increase of taxes on life insurance premiums from 1½ to 3 per cent., and could probably have passed such bill over the Governor's veto. The influence of a meeting held by the Baltimore Life Underwriters' Association on taxation, at which Vice-President Woods and Hon. Lawrence Y. Sherman were speakers, the wide publicity given to this meeting, its objects and what was said by these eminent authorities on the subject, and the work of a well chosen legislative committee from the Baltimore association, in the State Legislature, killed the proposed increase in taxation completely.

Local Association Membership Extension.

In my inaugural address at Pittsburgh, and in all addresses delivered before local associations throughout the country, I have urged that the extension movement be continued and that local membership be enlarged in order that the influence of the National Association might ultimately reach every agent in this country. Many of our associations

The Provident Life and Trust Company

—OF PHILADELPHIA, PA.—

“Too much cannot be said in commendation of the loyalty and faithfulness of the Agents who represent this Company. We believe that the high character of the Agents of the Provident is one of the largest factors in making the Company what it is to-day—certainly it has had much to do with producing its very low rate of mortality; all of our Agents realize their responsibility for the character of every risk which they submit. They have the confidence and regard both of the men they insure and of the officers of the Company.”

Annual Report 1913.

J. Thomas Moore

MANAGER INSURANCE DEPARTMENT

have taken advantage of the amendment to the constitution which was made at Atlantic City providing for a non-resident membership on a reduced basis of annual dues. This has been of great value to the agents of smaller cities, towns and the country districts, as they are being brought under the influence of the local associations, being kept in touch with the beneficent work of the education, conservation and taxation programs of the National Association through the columns of LIFE ASSOCIATION NEWS.

New Associations.

During the past year new associations were organized and admitted to membership in the National Association as follows:

Lansing Life Underwriters' Association, Lansing, Mich.
Kalamazoo Life Underwriters' Association, Kalamazoo, Mich.

Battle Creek Association of Life Underwriters, Battle Creek, Mich.

Jacksonville Association of Life Underwriters, Jacksonville, Fla.

Davenport Association of Life Underwriters, Davenport, Ia.

San Diego Association of Life Underwriters, San Diego, Cal.

One association only has ceased its membership, Albuquerque, N. Mex., the smallest association in the United States, and always weak in numbers.

The National Association's net gain in new associations actually admitted to membership during the year is five, bringing the total up to 90, with a membership of over 5,000, although the treasurer's report will show a net paid for membership of 4,321, this being due to the usual delinquent payments of local dues and the consequent withholding of annual dues to the National Association by the local treasurers on such delinquent members. Our net gain, therefore, on the paid for basis has been 705, or almost 20 per cent.

Visiting Associations.

Notwithstanding the resolution passed for the purpose of relieving the president of the extensive and more or less burdensome traveling which has characterized the work of my predecessors, thereby enabling the president to give more regular attention to the important problems with which we are now confronted, and the enormous amount of correspondence involved, I found it necessary to travel several thousands of miles and visit many of our associations. My labors, however, in this respect were most pleasant, and the many cordial receptions so royally extended to me shall never be forgotten. On numerous occasions the local associations arranged at the time of my visit to invite a large number of agents to their banquet who were not yet association members, resulting in many applications for membership being presented before the close of the evening's program. On the occasion of the inaugural at Pittsburgh, last October, 66 applications were presented at the close of the speaking, there being 375 life insurance men at the dinner; but Pittsburgh does things on a big scale. The following evening at Philadelphia 29 new applications were presented under similar circumstances. At Harrisburg, at the time of my last visit to that association, it began the banquet program with 22 members and closed it with exactly 44—a 100 per cent. increase. I could name many other interesting incidents, illustrating interest, enthusiasm, growth and good work among these and other associations, if time permitted.

On Dec. 12 I attended the annual convention of the Life Presidents' Association, at Hotel Astor, New York, as one of their speakers.

Among my other tours I want to refer especially to the very delightful trip which I made to Halifax, Nova Scotia, to attend the annual convention of the Life Underwriters' Association of Canada, which was held on July 28 to 31. Their convention was well attended and the program strong, constructive and magnificently supported by speakers of the highest order. President A. J. Meiklejohn, of the Life

Underwriters' Association of Canada, by virtue of his office becomes one of the vice-presidents of the National Association, and we are honored to-day by his presence, and also by a number of our other friends from beyond the border, including members of our national executive committee, to all of whom we wish to extend a most hearty and cordial welcome.

"Life Association News."

LIFE ASSOCIATION NEWS, under the able management and editorial direction of Mr. Ensign, has enjoyed another year of success and prosperity, and has contributed in no small degree to the successful year's work of this administration. It is an asset, gentlemen, of almost incalculable value to both the present and future work of the National Association. Too much praise cannot be given to Mr. Edwards for his able services on the publication committee and the assistance accorded Mr. Ensign. We shall hear the report of the committee, however, later in the session.

The year has not been without the elements of sorrow, through the death of former President I. Layton Regester, of Philadelphia, and our treasurer, Hersey S. Dale, of Chicago. Mr. Regester passed to his reward on Sept. 29, 1913, after spending more than 52 years in life insurance, and giving his time, ability and influence for many years to the work and interests of this association.

Mr. Dale was taken from us on April 17, 1914, after a lingering illness of several months. Both of these former officers will be greatly missed in our future councils because of their strong personalities and devotion to the interests of the life underwriters movement.

Treasurer Dale's death, occurring immediately prior to the mid-year meeting of the national executive committee, his unexpired term of office was filled by the election of H. Wibert Spence, of Detroit. Since this date Mr. Spence has installed a most complete system of accounting which has been made necessary by the increased labor now devolving on the treasurer's office, and the large amount of detail required in the handling of our financial department.

I want to express my deepest gratitude to my fellow officers who have labored so generously and faithfully with me in their several capacities during the year. Never has any president of this National Association been so honored and ably supported. Vice-President Woods has done the work of a second president and our relationship shall always stand out as one of the most pleasant associations of my life. Vice-President Russell has also given the best of care and the most unflinching attention to our Pacific Coast interests. Secretary Buser and Chairman of the Executive Committee Willet have co-operated with me to the fullest extent, and were always ready to grant my every wish with their characteristic generosity.

The Executive Council.

Then, there is my executive council, consisting of Edwards, Sills, Powell and Baldwin—a cabinet endowed with the maximum of ability, experience and unselfish devotion to the National Association and its interests, and to whom I am greatly indebted for their loyalty and hearty support on all occasions. Corresponding Secretary Ensign has labored unceasingly in the interest of every branch of our work, beside giving such able management and editorial direction to the affairs of LIFE ASSOCIATION NEWS.

Before concluding this address I want to urge upon this convention and those who will have charge of the future work of this national organization, in addition to those activities and movements already begun, a most careful consideration of using our forces and influence for the better and more systematic safeguarding and directing of questions of legislation affecting life insurance, by both the Federal Government and the several States. Gentlemen, in this respect we have been derelict in our duty on many occasions in the past, and it is a duty which we owe to the 25,000,000 policyholders in this country and the companies which we represent. The law and legislation committee of each local association should be most carefully selected, men being

THE

Connecticut Mutual Life Insurance Company

President, JOHN M. TAYLOR, Hartford, Ct.

Insurance in force, 91,663 Policies for . . . \$218,304,660

What No Other Company Has Done

To repay to its Policy-holders in Death Claims, Endowments, Dividends, Surrender Values, Annuities and other credits more than they have paid to it in premiums.

It stands alone in that result.

Total premiums received, Dec. 1, 1846 to Dec. 31, 1913,	\$287,442,080.61
Total returned to Policy-holders, as above noted, in same period .	296,862,956.74
Excess of amount returned	9,420,876.13

chosen who, from the standpoint of peculiar fitness, ability and influence are specially qualified for this work, and when your State Legislature is in session that committee should be most active and vigilant, and be backed by the support and influence of the entire local association if necessary.

Another question I want to urge for immediate consideration is a higher standardization of agents from the standpoint of educational equipment and unimpeachable honesty and integrity in the broadest sense, barring entirely from the field of life insurance for all time the rounder, the twister and the false representor; that the co-operation of the insurance commissioners throughout the country be invoked to this end, and if legislation be found necessary in certain States, for the purpose of legalizing such co-operation on the part of the insurance commissioners, that it be secured accordingly.

Having, as we do, personal contact with the millions of policyholders of this country, and, because of the nature of our service to them, commanding their confidence, we should at all times strive to improve that service by protecting their interests in every possible way and giving to the insuring and insured public only life insurance agents of the highest professional character.

THE EDUCATION AND CONSERVATION MOVEMENT.
Address of Warren M. Horner, Chairman of Committee
on Education and Conservation—A Statement of
the Present Status of the Movement and an
Analysis of the Value of Printer's Ink in
the Daily Press and Standard
Publications.

You have in the printed pamphlets already given out the salient points of the education and conservation movement brought up to date. It is not the purpose this afternoon to review in tiresome detail matters already of record with respect to the work of this committee and its many able and enthusiastic supporters over the United States.

If the education and conservation committee disbanded today and the movement, as already well under way and working toward a definite goal and with a set purpose in view, should be discontinued as the main work of the National Association of Life Underwriters, we would not worry over being the object of ridicule. This, for the very good reason that the things which this movement has visualized in the minds of the agents over the country, and in the things already accomplished, has created such a mighty wave of constructive endeavor as to make the work already done of lasting importance to the whole system of legal reserve life insurance.

However, the education and conservation movement is not on the wane; it is not going to disband, but is bound to become in very fact the new life of life insurance, and make the National Association of Life Underwriters, whose record of accomplishment in advancing the business is already traditional, the most potent non-partisan, constructive business organization the world has ever known.

If you read the printed review now in your possession, in conjunction with the remarkable discussion of Dr. Huebner this afternoon, you will have ample refutation in advance of any statement in contravention to that which has just been asserted.

You will do well, before the dawn of another day, to review carefully the difference between now and then, referring to the changes in the business which have been brought about in the last two years.

Correcting an Impression.

The very erroneous impression seems to have gone abroad to some extent that the education and conservation committee is acting as an advance agent for advertising mediums and advertising agents. This impression is, in a sense, not unusual, because the committee has unswervingly held to the idea of an institutional advertisement as a conveyance, and the only adequate one, to reach the immediate public in educating them in regard to the multitude of conservation problems embraced in the movement; and contemplated as

being embraced in the movement from the very start.

We believe in advertising, and we want to commit insurance interests to advertise, both institutionally and partisanly. But we do not hold a brief from the advertising fraternity and would long ago have given up the fight for this institutional advertisement, if it were not for the fact that the education and conservation movement is too big and broad a plan to permit of halfway measures, or any weak or supine policy in line of least resistance.

There has not been any question at any time in the minds of this committee as to the purely educational value directed entirely to the younger generation, nor as to the great good to be accomplished by lectures and addresses and well-ordered publicity in other ways.

We have held to the institutional advertisement because we are dealing with the immediate public and recognize that printer's ink in the daily press and standard publications, used all the time, is the way to inform our present clients who mould the sentiment of that younger generation and in a large measure direct their activities.

Furthermore, we recognize that the people are surfeited with printed matter in the mails, and that it is an impossibility to correct the public mind in life insurance by circularization.

The Memphis Resolution.

Note the next to the last paragraph in the resolution introduced at Memphis two years ago:

"That the president of this association appoint a committee of five, with power to confer with like committees of any other insurance bodies to devise ways and means for greater publicity in life insurance, for some non-partisan campaign of advertising and conservation and for a concerted movement to inaugurate a campaign of education through lectures or addresses and through general adoption of educational opportunities for the younger generation."

Several months after action was taken in conformity therewith the companies were addressed a communication in which was stated the following:

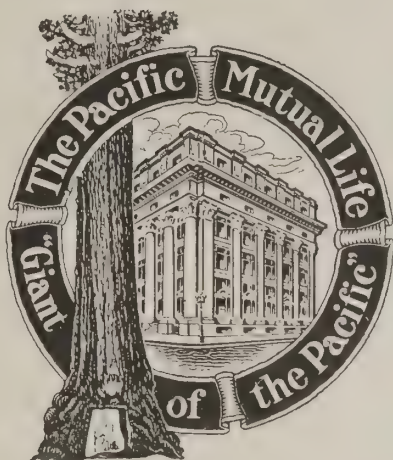
"The committee believes from its investigation that the campaign proposed is advisable, because (1) it will educate the public as to the benefits of life insurance; (2) it will give them valuable information in the matter of selection of policies; (3) it will cure to a large extent the unnatural and unnecessary aloofness upon the part of the public toward life insurance and the life insurance agent; (4) it will give the public valuable information in regard to taxation and insurance laws; (5) it will aid materially in the matters of (a) conservation of insurance written, and (b) in the conservation of health; (6) it will result in better service all along the line to the public, the companies and the agents, and result in raising the standard of the whole agency system; (7) when this campaign is thoroughly launched the agents will find it twice as easy to sell insurance; (8) it will make dollars spent for partisan advertising bring far greater returns, and, finally, (9) it will result in a permanent bureau of great and lasting benefit to the whole institution of legal reserve insurance."

Those statements, together with the many other printed statements of record, part of which are in the pamphlet now in your possession, give ample evidence that this is not an advertising scheme, even though it does contemplate spending money in buying space in the circulating mediums of the country in which space educative matter is to be published.

Education.

In talking or thinking about education in life insurance one is prone to run into a jumble of thought and expression embracing the ideas of conservation, publicity and institutional advertising. We will, therefore, endeavor to deal with them separately first and then collectively, as they are intimately interlocked in accomplishing what we are endeavoring to do as an altruistic, progressive and practical movement in the business of life insurance.

The word "education" probably is the most meaning and expressive word in the English language. Without that



Organized 1868

Are you looking for a good opening? If so, the following facts will interest you

NO COMPANY OFFERS A GREATER OPPORTUNITY TO HIGH CLASS FIELD
MEN THAN THE PACIFIC MUTUAL LIFE INSURANCE COMPANY
OF CALIFORNIA. WHY?

It is an old Company located in a new country, thus combining age and experience with favorable environment and opportunity unsurpassed, if equaled, in any other section of the United States. The Pacific Coast, with the opening of the Panama Canal, is entering upon a period of remarkable development and marvelous possibilities. The Pacific Mutual is the only Company of age and experience which has its headquarters on the Pacific Coast. It has over \$150,000,000 of Life Insurance in force and Assets in excess of \$30,000,000, a volume of business greater than that of the other companies west of the Rockies combined.

TO MAKE A CONTRACT WITH THE PACIFIC MUTUAL NOW IS TO ENTER THE
OPEN DOOR OF OPPORTUNITY. THE COMPANY WISHES TO NEGOTIATE
WITH DESIRABLE MEN FOR UNOCCUPIED TERRITORY.

Address:

Pacific Mutual Life Insurance Company

LOS ANGELES, CALIFORNIA

which it represents children would not walk or talk, nor men and women create and build toward any purposeful end. Putting it in a different way, without education, this greatest of all values, human accomplishment would remain nil.

Therefore education touches the life insurance business at every point of its great circumference. There is not sufficient time allotted us to-day for much amplification. We all know, however, that if ever there was a crying need that had long been neglected and which stood out in bold relief, it is the necessity of following out in the public schools and in the higher institutions of learning, and through educational addresses before public bodies wherever possible, the very able and detailed recommendations as outlined by Dr. Huebner here to-day. What a parody upon life insurance and all that it stands for in its economic and beneficent relation to the people and as a vocation of high professional attainments that the vast majority of young men and women graduating from our universities and colleges are either afraid of it on the one hand or scorn it on the other! That we have to go through such heart-breaking experiences to get college graduates, young men of proper business and social caste, into the business.

Every man and woman in this convention to-day should here and now dedicate themselves to do some part in furthering this great work of education.

Conservation.

The best illustration I can think of to adequately portray the situation with regard to the many conservation problems and their inexpressible possibilities of development as contained in the business of life insurance would be to ask you to be carried into the realms of imagination and conceive yourselves as passing over the great domain of the United States as it was, a barren waste, when the early settlers came to these shores. Transport yourselves across the country, in possession of your present knowledge of the then latent wealth which has since been developed and is yet to be created. If your imagination can only in a sense visualize such a situation, then you have in a measure in your mind's eye the condition in regard to the many things to be accomplished in the conservation measures in the great business of level reserve life insurance.

If this appeals to you as overdrawing the situation, then the answer is that we are engaged in the conservation of human life; that in engaging in this great work of conservation of human life we have neglected the conservation of conservation.

Time, upon which everything hinges, is wasted with reckless prodigality. Agents are thrown at the business or into the business. Policyholders know little or nothing about what we are doing or mean to them. They have bought only a fraction of what we should have sold them, because of a very hazy, intangible idea of what they were buying. Laws in regard to control and organization of companies and taxation thereof have been allowed to go on in their destructiveness with most feeble opposition and guidance.

Laws predicated the appointment of agents upon general fitness and understanding of the things they are to do is a problem with which we must grapple.

It is these problems with the matters of conservation of health and conservation of insurance written toward which we must lend our energy, and in numbers and as a body working as a unit in the years to come.

It is reasonable to suppose that the companies will generally favor this bureau of the National Association of Life Underwriters, because it will make their individual efforts and expenditures far more fruitful, and that those companies who employ salaried managers will arrange some method of contribution through their managers so that to a reasonable extent all who benefit will help bear the burden of expense.

Publicity.

The committee has been an ardent advocate of greater publicity in life insurance through every legitimate channel. It has recognized that publicity has been greatly neglected,

and, as evidenced by the resolution introduced at Memphis and by discussions of the subject since, we should individually and collectively focus attention upon greater publicity in life insurance in securing the co-operation of news mediums of every nature in publishing matter of fact and interest with regard to life insurance for the benefit of their readers.

We have contended from the start that a lack of attention upon the part of various publications, the daily press and otherwise, was due to three causes: That publishers were the victims of an unnatural and unnecessary aloofness toward life insurance and the life insurance agent held by the average laymen; that the insurance fraternal organizations themselves were to blame for not exercising greater concentration in putting intelligently before editors and publishers items of real importance, such as would be published in regard to any other field of endeavor, and, lastly, that they were not dealing with the daily press and periodicals on the cash counter.

The Principle of Compensation.

There is no slur whatever thrown at the daily press in this statement. On the one hand, I would not be so impolitic as to say on the other, I do not believe there is any criticism to be passed. What we got, or what we did not get, either by what you want to put it, was what we had coming for what we did or did not do.

Probably there are only two human agencies that can be compared, outside of religion and education, in the same firmament with the business of life insurance, and those are the news mediums of the country and the railroads. And we put the press above the railroads because the railroads do bring men and their products together in a physical sense, whereas the press brings them together in an educative way and has to do with the mind, that eternal structure of God's greatest handiwork.

Furthermore, our American press has ever shown a readiness to serve the people in an intelligent, conscientious manner. You must remember, however, that by the same token that we believe in life insurance and that our business is garnering premiums and that by our efforts in this direction we do gain our daily bread, so must you remember that newspapers and periodicals are imbued with the efficiency of what they are doing, that they believe in both the commercial and the educative value of advertising, and that they exist by money paid over the cash counter therefor.

The Cash Counter.

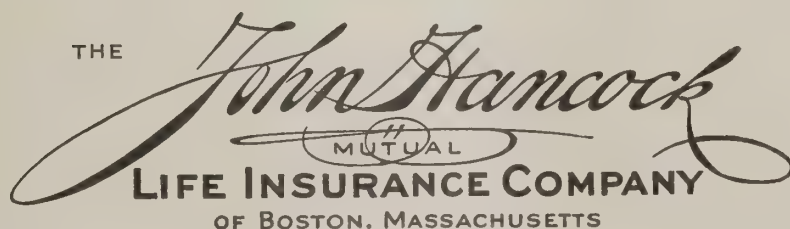
If those in control of news mediums, publishers and editorial writers, do not thoroughly understand or believe in what we are doing, and we, in turn, exhibit a skepticism as to their regard to their work, we have presented an unnatural and impractical situation and one that needs to be corrected. You will not correct it simply by striving for publicity in the press agent fashion. You will correct it by well-ordered publicity of the legitimate kind, backed by dealing over the cash counter—also of the legitimate kind—meaning advertising institutionally and partisansly, educatively and constructively; and you will get ten dollars for every one you spend, because the newspapers do not have to be bought and I am one of those who believe they cannot be bought.

It is just an intelligent, commonsense, ordinary, everyday, business, practical spirit of understanding and co-operation—they of our position and we of theirs—and then we will let loose the floodgates of publicity of the real kind, the kind that will educate and endure; and that is the service that the people, the ones who pay the premiums, are entitled to receive.

The word "publicity" was cut out of the name of this committee advisedly. We were not starting a flamboyant ball ascension. We were doing that which we thought was necessary and lasting, namely, inaugurating a master campaign of education and conservation, and that the intelligent handling thereof would bring about adequate attention from the great circulating mediums, so many of which we have in this country of which to be proud.

**IT
IS
WORTH
WHILE**

Carrying
all the Latest and
Most Desirable
Features
And Revised right up to
To-morrow
The Policy Contract now
issued by



Claims the careful attention
of Capable Agents.
YOU should look into it.

You may think that the discussion of education, conservation and publicity has embraced so many references to the institutional advertisement that further comment with respect to this important phase of our work is unnecessary. Remember, however, that this is the interlocking phase of the whole situation. You are admonished to-day to have in mind that insurance companies and insurance agents are not sufficiently visualized in the public mind—I mean in all the minds of those to whom we are selling insurance to-day, and to those who are moulding the thoughts, inclinations and actions of the younger generation.

A Semi-discredited Reception.

The life insurance business does not need to exist in the public mind as it does, in a semi-discredited manner. You admit that education is necessary and you admit at least most of the conservation problems presented by the committee, and you desire to promote legitimate publicity.

Suppose the thing that we are, all of us, silently hoping and even praying will not occur does come to pass and this great nation, through some unforeseen event, is drawn into this awful maelstrom of devastation and brutality existing across the sea. We would not wait to be overrun by the enemy, but would send trained soldiers and the militia into the field and whip the remaining adult male population into fighting efficiency, and at the same time prepare the younger generation approaching manhood for their part when their time came. We would not just sit supinely by and devote attention to the young men growing up to be overrun in the meantime by the enemy.

Again, the illustration is not far-fetched. However proud we may be of the business of life insurance in its economic and beneficial relation to the people and in this, our great work of conservation of human life, and in the many records of accomplishment of the companies we represent, the fact remains that we are constantly overrun by a common enemy—ignorance, aloofness and lack of a proper spirit of co-operation upon the part of the public. Education in its ordinary sense and as outlined here to-day will reach the oncoming generation. But the oncoming generation will be influenced by their elders and purely educational work enhanced or retarded in proportion as we inform and educate the immediate public.

Solidarity of Thought and Action.

There is another direct, important factor in this educative institutional advertisement which must not be overlooked. Unity of numbers, solidarity of thought and action is the progressive order of the times. We need to be organized in numbers, for legislative reasons and for practical, sentimental reasons, to show a solidarity of thought and action in taking a high plane in dealing with the public in a spirit of helpfulness to them. The business in which we are engaged, to a most happy extent, combines the commercial and the professional. The life insurance agent is rendering too valuable a service to the body politic—that is, when acting in his true sense—to ever be deprived of his vocation as long as the minister, educator, doctor and lawyer have a place in the world's work.

There is no danger in our organizing for a common purpose when that purpose is dominated by an altruistic desire to better serve the people with whom we deal. The future of the life insurance business will largely reflect in this country the respect that this organization is entitled to, in the way it works as a body united, and not as separate company units, in furtherance of an amicable, intelligent spirit of co-operation with the companies and in furtherance of laws that will standardize the business and constantly enhance the interests of the people who pay the premiums. In other words, to create such a smooth, well-oiled organization, so honorable and efficient in service as to make it impossible for any paternalistic or governmental form of indemnity to in any sense give adequate protection to the people as compared therewith.

The people are more interested in providing for their de-

pendent ones and their own old age, through business channels by the sweat of their own brow, than they are in an paternalistic proposition fostered by the government or swollen fortunes.

The people at large in life insurance and in other matters of great moment to them are only interested in that they get adequate and proper service in return for their money and when once rightly imbued with this fact, do not have any undue interest in the affairs of any world movement.

This point is emphasized here and now, because some profess to see danger in this idea of unity and solidarity which is being promulgated in this association. We believe that the life insurance business needs sorely to exhibit some where a solidarity and unified idea and definite line of demarcation in the various things of moment to the policy holders, the many things already enumerated to you as being embraced in the education and conservation movement and as being fostered by an institutional advertisement.

Unifying the Campaign.

The reason the committee has so steadfastly adhered to the institutional campaign, both as represented in the purely educational work and in the institutional advertisement, was to give evidence to the entire body of laymen that we were dealing in this matter as one. The committee, to receive financial support, has reluctantly given in to the desire of numbers in allowing separate campaigns locally, as was agreed upon last April; and this was only done in a spirit of compromise, recognizing that all minds could not meet on this subject. There is no desire upon the part of the committee to turn back and correct this step now; but its earnest hope is that the greatest spirit of broadgauged liberality in subordinating itself and in promoting unity of thought and action will be exercised by the various local associations in giving financial support and in carrying out and unifying this campaign.

Lend your efforts and criticism in a spirit of helpful co-operation, not in tearing down. The committee has—and I presume those who have charge of the work during the next year will be in the same position—earnestly sought for constructive criticism and helpful co-operation. We have had little time to consider the very few carping critics who were concerned chiefly in dotting I's and crossing T's, having in mind that statement of Washington Irving, "When once Columbus had stood his egg on end, every man at table could stand his egg up more dexterously."

A Task to Perform.

Now, my friends, officers of companies, men and women of the National Association, you have presented to you, in the traditions of this association, in the past acts for over a generation of the splendid body of men who have served as its officers, and now, finally, in the great work of the education and conservation movement, a real task to perform; something to occupy your powers every day in the year—next year and the year after, and on and on into the future in our great business, to make it stand out in bold relief as unique in operation as it is in foundation, in the things it is supposed to perform.

Let us not become fanatical over our business, but nevertheless link hand in hand logic and sentiment in their true perspective in life insurance forever more.

To me the life insurance business unfolds and unfolds with each succeeding year. It seems to be the greatest thing in the world to promote the brotherhood of man. Our work is the cause of humanity, the prolongation of life, the prevention of disease, the alleviation and elimination of the poor and afflicted and the promotion of brotherly love and goodwill and peace on earth.

The education and conservation movement is a mighty harvest already garnered and stored in the granary of organization—not there to rest and rot, but to be drawn out on the highway of progress to the market of opportunity.

Ambitious, Productive and
Trustworthy Life Agents
may be benefited by
corresponding
with the

W. S. WELD
Supt. Agencies



W. D. WYMAN
President

New
Policies with
Modern Provisions
Attractive Literature

REPORT OF HUGH M. WILLET, CHAIRMAN OF THE EXECUTIVE COMMITTEE.

An Exposition of the Various Details in Connection with Meetings of the Executive Council and the Mid-year Meeting of the Executive Committee.

On behalf of the executive committee I am pleased to present the following report of its operations during the past year.

Immediately after the adjournment of the Atlantic City convention, Sept. 18, 1913, the executive committee held a short session in the convention hall, at which Millard W. Mack presided. Hugh M. Willet was unanimously elected chairman for the ensuing year. President Ernest J. Clark nominated Messrs. Niel D. Sills and Henry J. Powell for two-year term and Percy V. Baldwin for one-year term, as members of the executive council, and this action was unanimously approved by the executive committee.

First Meeting of the Executive Council.

The first meeting of the executive council was held at Pittsburgh at 10.30 a. m. Oct. 6, in the Fort Pitt Hotel, the following members being present: Messrs. Ernest J. Clark, president; Chas. Jerome Edwards, Henry J. Powell, H. M. Willet, Neil D. Sills, Frank D. Buser and Everett M. Ensign, corresponding secretary. President Clark presided and Mr. Ensign acted as secretary. The general convention committee's statement of convention expenses, amounting to \$646.45, was approved and the bill ordered paid.

President Clark appointed the following publication committee: Messrs. Chas. Jerome Edwards, Neil D. Sills and Ernest J. Clark. It was decided that all printing for the association be done through the office of the corresponding secretary and contracts be determined on competitive estimates. It was also decided that the treasurer and secretary be bonded to the extent of \$3,000 each, the bonds to be held by the president of the National Association and the premiums for said bonds to be paid by the National Association. A bill from Warren M. Horner, chairman of committee on education and conservation, was presented by President Clark, was approved and ordered paid. A motion was adopted that all contemplated printing in connection with the National Association work be submitted to the executive council for approval and that no expense should be incurred by any committee or sub-committee without authority.

Appointments to the Executive Committee.

The following gentlemen were appointed members of the executive committee, their terms to expire in 1916: Arkansas, Sid B. Redding; New Mexico, W. S. Peterson; North Dakota, Mr. Treat; Rhode Island, C. C. Blanchard; Springfield, Mo., M. A. Nelson; Tacoma, William Peterson.

The standing committees for the year 1913-1914, as named by Hugh M. Willet, chairman, were unanimously approved. The chairmen of these committees are as follows: Speakers' committee, Ernest J. Clark; finance committee, Chas. W. Orr; law and legal committee, John Dolph; topics committee, Hubert H. Ward; prize essay committee, J. C. Drewry; credentials committee, E. B. Ransenhousen; transportation committee, Millard W. Mack; press committee, Chas. W. Scovel; membership committee, J. Henry Johnson; education and conservation committee, Warren M. Horner; taxation committee, Edward A. Woods.

Warren M. Horner, chairman of committee on education and conservation, submitted his report. After some discussion, the following resolution was offered by Chas. Jerome Edwards and unanimously adopted:

First.—That authority be given to the committee on education and conservation to compile a text book on life insurance, the matter contained in this book to be submitted to the executive council for approval, and if so approved, to be published by the National Association of Life Underwriters.

Second.—That Chairman Horner be authorized to send out a call to all managers and general agents who are members of the National Association to contribute to a fund to defray the expense of this undertaking, such call to be approved by President Clark.

Third.—That Chairman Horner be authorized to have some ads written, which should be submitted to the executive council for approval and, if approved by such council, to be signed by the members of the committee on education and conservation, and also by President Clark.

Inaugural Banquet.

The executive council and committee on education and conservation were entertained by the Pittsburgh association at luncheon and in the evening at a banquet. President Clark and other officers made addresses outlining the policy of the new administration. For these delightful courtesies the Pittsburgh association has our heartfelt thanks.

Second Meeting of the Executive Council.

The second meeting of the executive council was held at the Bellevue-Stratford Hotel in Philadelphia, Dec. 4, 1913, 3 p. m. The forms of letter and pledge to be issued to managers and general agents, in accordance with the previous action of the council at Pittsburgh, were adopted, and Chairman Horner was authorized to go forward with the matter when the sum of \$25,000 had been subscribed for the institutional advertising campaign. President Clark recommended that Dr. S. S. Huebner, professor of life insurance of Wharton School of Finance and Commerce of the University of Pennsylvania, be selected as editor-in-chief, to prepare the text book on life insurance, and that the contract for publication be given to D. Appleton & Co., of New York. These recommendations were unanimously approved. It was stated that the entire financial responsibility in the publication would be assumed by D. Appleton & Co., and that the book would contain approximately 550 pages, would retail at \$2 per single copy, and that discount of 40 per cent. would be available to members of the National Association, making the net cost \$1.20 per copy.

The third meeting of the executive council was held at the Hotel Astor, New York, April 20, 1914.

Third Meeting of the Executive Council.

The morning session was called to order at 10.30 by President Ernest J. Clark. The following members were present: Messrs. E. J. Clark, Hugh M. Willet, Chas. Jerome Edwards, Henry J. Powell, Percy V. Baldwin and Neil D. Sills. By invitation there was also present Millard W. Mack, representing the Cincinnati association, and Corresponding Secretary Ensign. At the request of President Clark, Chas. Jerome Edwards read a notice of the death of National Treasurer Hervey S. Dale. A committee, consisting of Messrs. Chas. Jerome Edwards, Percy V. Baldwin and Jules Girardin, was appointed to prepare suitable resolutions on the deaths of Hervey S. Dale and Samuel E. Barber, and also to send a telegram of sympathy to Secretary Frank D. Buser, who was unable to be present on account of ill health. Edward A. Woods was asked to prepare resolutions on the death of I. Layton Register.

Millard W. Mack reported in behalf of the Cincinnati association as to convention arrangements. A motion was made and carried that the Cincinnati association be financially responsible for the banquet menu, that the banquet should cost \$3 per plate, should include music, flowers and two cigars for each male guest and that no wine should be served at table. Several designs for badges were submitted, and that of the Whitehead & Hoag Co. was approved, with certain suggested changes.

On recommendation by President Clark, it was moved and carried that the National Association and local associations consolidate their press committees and their committees on education and conservation, and that the joint committees thus formed be called the Committee on Education and Conservation.

National Life Insurance Company

JOS. A. DE BOER, President

Assets, \$58,947,889.72 Insurance in Force, \$188,354,053.00

The 64th statement shows strong gains in new and outstanding insurance, in income, in assets and in surplus, an interest rate of 5.10%, a mortality experience of 58.12% and increased dividends set aside for payment to policyholders in 1914. Age, strength, mutuality, low net costs, the best policies and a scientific and equitable practice have made the National Life most attractive to the best agents—a solid business, securing permanent opportunity.

Address—EDWARD D. FIELD, Superintendent
MONTPELIER, VERMONT

Chas. Jerome Edwards made his report as chairman of the publication committee, showing a very satisfactory condition. The full report is on file in the office of the corresponding secretary.

Mid-year Meeting of Executive Committee.

The mid-year meeting of the executive committee was held at the Hotel Astor, New York, April 21, 1914.

The morning session was called to order at 10.30 by Chairman Hugh M. Willet, at which there was a large attendance. In the absence of Secretary Buser, Chas. W. Orr was elected secretary pro tem. President Clark spoke extemporaneously of the magnificent results accomplished since the Atlantic City convention, making special reference to the concessions which had been obtained in the income tax measure of the tariff bill.

Applications of the following associations were approved: Lansing, Mich., 10 resident members; Kalamazoo, Mich., 18 resident and seven non-resident members; Battle Creek, Mich., 10 resident members; application of Salina, Kan., was also approved, but the association subsequently withdrew and disbanded.

Secretary pro tem Chas. W. Orr read the report of Corresponding Secretary Ensign and also a letter from Secretary Frank D. Buser, explaining his absence.

The report of the late treasurer, Hervey S. Dale, was read by Robert F. Palmer, of the Chicago association.

President Clark, chairman of the committee on speakers, reported that the staff of speakers at the Cincinnati convention would undoubtedly be the strongest which had ever addressed a national convention.

Reports were received from Chas. W. Orr, chairman of committee on finance; John Dolph, chairman of committee on law and legislation, and Hubert H. Ward, chairman of committee on topics, read in his absence by H. H. Kohn, a member of the committee. Mr. Ward's report suggested the following topics for discussion:

Topics for Five-Minute Talks.

1. The Influence of Woman on Life Insurance.
2. The Influence of the Press on Life Insurance.
3. New Fields for Life Insurance of the Future.
4. The Making of an Agent.
 - (a) Securing the Agent.
 - (b) Training the Agent.
 - (c) Working the Agent.

Millard W. Mack, as chairman of the committee on transportation, stated that he would have a conference with the local railroad men in the near future, but hardly anticipated that special rates could be secured for the Cincinnati convention. Chas. W. Scovel, chairman of the press committee, made his report. The report of membership committee, by J. Henry Johnson, spoke of the gratifying increase in the membership of the National Association. He advised that special effort be made to impress upon general agents and managers the importance of having every licensed agent become a member of their local association.

H. R. Lewis, chairman of the convention attendance committee, made a verbal report. He referred to the Rochester-Atlantic City Convention Club, where 38 members signed, with over 30 members present at the convention.

Report of Taxation Committee.

Report of the taxation committee by Edward A. Woods, chairman, showed that a circular had been prepared asking life insurance companies and life underwriters' associations to cooperate along the lines requested by the National Association's resolution. It further stated that the committee was preparing a pamphlet to suggest objections to the present taxation method, a draft of which was submitted to the meeting.

Chas. Jerome Edwards, as chairman of the publication committee, made a financial report showing total receipts of \$9,615.74 and balance on hand, after paying all bills, \$2,579.02.

The second and concluding session of the executive committee was called to order by Chairman Willet at 2.30. Reports of speakers' committee, finance committee, law and legislation committee, membership committee and credentials committee were approved and ordered placed on file.

Report of the Cincinnati association in regard to pre-convention arrangements, made by Millard W. Mack, chairman, was taken up and the recommendations were accepted and approved; namely, that the convention proper be held the 15th, 16th and 17th of September, and meetings of the executive council and executive committee be held on the 14th of September.

Report of Executive Council.

President Clark read his report on the work of the executive council. It showed that the council had had three meetings and many important matters attended to. J. C. Drewry reported as chairman of the prize essay committee, recommending as the topic "Influence of Woman on Life Insurance." After discussion, it was finally resolved that the subject be "Woman's Interest and Influence in Life Insurance."

Warren M. Horner, chairman of the committee on education and conservation, submitted his report, suggesting a change in the method of using the funds contributed to the publicity campaign. There was a lengthy discussion of the report, after which Neil D. Sills introduced the following resolution, which was carried:

Resolution Adopted.

"That the executive committee indorse the work of the education and conservation committee in preparing a comprehensive text book by Dr. S. S. Huebner, of the University of Pennsylvania, and recommend that the committee intensify its campaign with respect to the educational work in bringing the attention of high schools and other institutions of learning to the preparation of this work.

"We further indorse the action of the committee in preparing a comprehensive prospectus of the institutional advertising campaign and recommend that a copy of this prospectus be sent to each member of the executive committee to the end that a specially called meeting, or at the next regular meeting, each association may take immediate action in securing contributions from its entire membership.

That 75 per cent. of the funds so secured be retained by the local association for its own local campaign and the balance to be turned over to the National Association to defray the cost of the educational work and to be used in the preparation of the institutional copy to be supplied to the local associations for publication, in addition to such material or copy as each association may desire to publish as more directly bearing on its own local situation.

"That the committee make such publication of the articles prepared in national mediums as funds secured will permit and as may be deemed advisable by the executive council. That a circular letter be addressed to the local associations under the direction of President Clark, giving a comprehensive statement of what action is desired on the part of the local associations and setting forth the advisability of preparing the institutional copy both for national publication and republication by the local associations in order to institutionalize or unify the campaign over the country."

A telegram of sympathy was sent to Secretary Buser, expressing best wishes for his early recovery.

Death of Hervey S. Dale.

The following resolution was presented on the death of Hervey S. Dale and unanimously approved:

"The executive committee of the National Association of Life Underwriters, in session at New York, April 20, 1914, places upon the records of the association its sense of deep regret that the Almighty Master has deemed it wise to remove from earthly activity so true a man, so lovable a comrade and so efficient an official as Hervey S. Dale; treasurer of the association; and wishes further to express its appreciation of his capable and faithful services and to attest to his constant and unfailing adherence to the highest ethics and ideals of the life insurance profession.

"Be it ordered that this expression be placed upon the minutes of the association and that a copy be forwarded to the family of our departed associate."

Resolutions were also read and approved on the death of

TRAVELERS AGENTS

Possess Great Advantages

All men are prospects for more than one line of insurance. The agent who can supply the various lines of insurance possesses the greatest opportunity to increase his income.

Life Insurance

The Travelers, with its remarkable yearly increase in life insurance in force, is the leading exponent of Guaranteed Low Cost Life Insurance, which has grown most rapidly of all forms in public favor.

The Travelers led all the New England companies in new life insurance paid for since 1912, and showed the largest percentage of gain in new business paid for in 1912 and 1913 of any of the ten leading companies in the country.

The Travelers life policies contain the most valuable disability clause ever offered to the public.

Accident Insurance

The Travelers continues pre-eminent. Its increase in Accident and Health Premiums in 1913 exceeded the total writings of many companies and was greater than its two leading competitors combined.

Liability and Compensation Insurance

The Travelers leads in service, experience and premiums.

We offer direct contracts to reliable and successful men, and thereby give them an opportunity to increase their incomes and make certain their future.

Ally Yourself With The Travelers

Share its activity. Profit by its prestige. Seize the opportunities it offers to develop your business and build up your income.

THE TRAVELERS INSURANCE CO.
HARTFORD, CONN.

I. Layton Register, of Philadelphia, a former president of the National Association, and Samuel E. Barber, of Topeka, Kan., a former vice-president.

On motion H. Wibirt Spence, of Detroit, was elected treasurer of the National Association to fill the unexpired term of Hervey S. Dale, of Chicago, deceased. A resolution was passed, authorizing the bank in Chicago, which held the funds of the National Association, to turn over said funds to the new treasurer. Jules Girardin, of Chicago, was selected to act for the association in the matter of this transfer of funds.

A resolution of thanks was extended to Byron C. Howes who, since the death of Mr. Dale, had been transacting the financial work of the National Association under power of attorney.

In discussing the report of the topics committee, it was decided to leave the selection of topics to President Clark. J. Henry Johnson called attention to the fact that the St. Louis association would act upon 65 applications at their meeting to occur that afternoon. The corresponding secretary was instructed to send a telegram of congratulation to the president of the association.

Banquet at Home Office of Metropolitan.

Following the adjournment of our mid-year meeting, the executive committee was entertained at a banquet given by the officers of the Metropolitan Life Insurance Co. in "The Tower." In the absence of President Hegeman, Vice-President Haley Fiske presided, and extended a most cordial welcome to all who were present. Your chairman made reference to the recent birthday of President Hegeman, and was instructed to send the following cablegram to him in London:

"The executive committee of the National Association of Life Underwriters extends congratulations on your 70th birthday, and wishes you many more years of life and usefulness."

President Hegeman responded in the following letter, under date of April 22:

"My dear Mr. Willet: You and your associates on the executive committee will never know how truly I appreciate your kind cablegram received this morning. Please be assured of my cordial thanks for this thoughtful and most gracious remembrance.

"Will you please accept for yourself, and be the bearer to your colleagues, my assurances of non-forfeitable and incontestable admiration and regard.

"Believe me, Very sincerely yours,
(Signed "JOHN R. HEGEMAN.")

SECRETARY FRANK D. BUSER PRESENTS JOINT REPORT OF HIS OFFICE AND THAT OF THE CORRESPONDING SECRETARY.

Statistics as to Increased Membership in Local Associations—Several Contests to Stimulate Augmented Rosters—Suggestions with Regard to Improved Conditions in the Local Bodies.

Your secretary, as usual, will present the joint report of his office and that of the corresponding secretary. It will necessarily be brief, because we have eliminated all references to matters which have been, or will be, discussed by the other officers.

Heretofore your secretaries have made a large number of visits to local association, but unfortunately during the past year it has been impossible for me to do so on account of ill health, having been in the South for several months, and unfortunately, at the time, also of the holding of the meeting of the national executive committee in New York. It is a matter of extreme regret to your secretary that he has been unable to be of more assistance to the president in visiting a large number of associations.

It will be recalled that at the Atlantic City convention Section 2 of Article VIII of the constitution of the National Association was amended to provide for a non-resident class of members. From the reports which have been received we find that a number of associations have taken advantage of this

provision and we have accounted for 314 non-resident members. The Oklahoma association heads the list with 74 members in this class while the Capital District association follows with 24 and the Erie association with 20. In a number of associations it has been difficult to satisfactorily work out the non-resident membership idea. Several associations have adopted a plan which not only seems practical, but conducive to a large membership. Non-resident members are divided into two classes, one living within the radius of what might be termed the metropolitan district of the city in which the association is located, and which can be classed as being suburban, and the other class composed of those residing outside a radius of 20 or 25 miles, the annual dues of the latter class being the nominal sum of \$1 and of the former class one-half the annual dues charged the regular membership.

Semi-annual Reports.

A discrepancy always exists between the semi-annual reports of secretaries of associations and the figures which are subsequently secured on the basis of paid membership. From the report of the treasurer it has been observed that there are several instances of wide discrepancies. In the case of some associations the amount remitted in annual dues at the end of the fiscal year covers less than one-half of the members reported as belonging to such association in its semi-annual statistical report. However, the numerical increase in local associations throughout the country has been 705, which means about 20 per cent.

An impetus to increased membership on the Pacific Coast was brought about by William L. Hathaway, of San Francisco; former National President Hubert H. Ward, of Portland; National Vice-President John N. Russell, Jr., of Los Angeles, and William D. Mead, of Seattle. These gentlemen purchased a trophy to be awarded on the basis of the greatest increase in membership among the Pacific Coast associations. The first period of the contest consisted of the months of November and December and the cup was awarded to the Puget Sound association, which claimed 84 new members to its credit. The second period of the contest ended on June 30 and the trophy was then awarded to the San Francisco association.

The results for the second period as officially announced by the committee of award were as follows: San Francisco, 38; Seattle, 29; Portland, 26; Los Angeles, 14; Tacoma, 4.

This cup is to be the permanent property of the association winning it three times.

In order to stimulate increased membership among the New York State associations, the Syracuse association challenged the local bodies of Buffalo, Rochester, Utica and Albany for a membership contest for a period from March 1 to May 31. The gain in paid membership of these associations was as follows:

Clipping Bureau Service.

Immediately after the Atlantic City convention the executive council decided to make an arrangement with a press clipping bureau for the purpose of securing and having on file clippings from daily papers and magazines relative to life insurance. Arrangements were made through the office of the corresponding secretary with Luce's Press Clipping Bureau, of New York City, for 1,000 clippings at a cost of \$25. At first the clippings were extremely unsatisfactory in character and it was only after a process of education and elimination that we could secure clippings of value. It is quite impossible to expect editorial discrimination in any press clipping bureau. The corresponding secretary is still receiving clippings on the contract and whenever an unavailable clipping is received it is returned with the reason why it is of no service. From the clippings that have been received we note that 24 dailies, five weeklies and three monthlies have been devoting space to news articles or editorial of an educational character. The list follows: *Collier's*, *McClure's*, *Harper's*, *The Independent*, *Outlook*, *Leslie's*, *Syston*, *Philadelphia Evening Telegraph*, *St. Louis Republic*

Warm Personal Interest

That describes the happy relation existing between the Fidelity and its Field Men, and explains why both are forging ahead.

Maybe you could reach a higher success in that atmosphere.

Write to

THE FIDELITY MUTUAL LIFE INSURANCE COMPANY

WALTER LE MAR TALBOT, Pres.

PHILADELPHIA, PA.

*Desirable openings in good territory for the
right men*

Pittsburgh *Dispatch*, Chattanooga *News*, Harrisburg *Telegraph*, Omaha *Bee*, Chicago *Daily News*, Gardner (Mass.) *News*, Philadelphia *North American*, Merrill (Wis.) *Herald*, Cleveland *Leader*, Portland (Me.) *Press*, Hartford *Courant*, Portland *Oregonian*, Des Moines *Register and Leader*, Atlanta *Constitution*, Springfield (Ill.) *Journal*, Kansas City *Star*, San Francisco *Call and Post*, New York *Times*, New York *Sun*, New York *American*, New York *Commercial*, New York *Tribune*.

Publicity in Local Associations.

In addition to these, and a subject upon which the press committee will probably report in full, might be mentioned the Chattanooga, Florida, Northern Indiana, Knoxville, Lima, Mississippi, Nashville, Oregon, Philadelphia, Puget Sound and St. Louis associations. These local bodies have instituted at their own expense departments in daily papers in their respective communities. Articles of an educational nature appear in these departments, which once a week occupy prominent space in the paper selected.

To the Puget Sound association has fallen the honor of being the first local body affiliated with the National Association to issue a monthly bulletin to its members. The object of this bulletin is to keep the members in touch with association activities and it contains other matter of interest and value. It is planned to reprint timely articles which may appear in the various home office publications and, when desirable, to also make use of matter from some of the insurance journals. The bulletin is the idea of A. B. Furner, who was recently elected secretary of the association and is editing the publication.

The executive council at its Pittsburgh meeting authorized the corresponding secretary to have published in booklet form the address which former President Scovel delivered at the Atlantic City convention on "The New Family Service of Life Insurance." Several editions were published and sold at a nominal figure to various agents and companies throughout the country and each booklet bore the imprint of the National Association.

The Trophy Contests.

Secretaries of local associations are sometimes very negligent in sending in reports in the membership trophy contest. The award of the Edwards trophy cannot be determined until the annual dues are paid, but the corresponding secretary has great difficulty in securing adequate data for the statistics necessary in awarding the Whittington trophy and the Waite trophy. In this connection it might be said that there is also difficulty in securing adequate reports of meetings of local bodies for publication in the *News*. There have been instances of where secretaries sent in reports of meetings which have occurred over a month previous to the receipt of such notice by the editor of the *News*. It has been observed also that on several occasions there has been a premature release of important news to certain insurance journals, whereas the only knowledge that *LIFE ASSOCIATION NEWS* had of the matter was the information conveyed in such insurance publications. This has been embarrassing in many ways. Several delicate situations have arisen during the year where publicity of any kind was far from being desirable.

Mention should be made of the statistical report of local associations which appears each year in the bound copies of the convention proceedings. In this report an attempt is always made to give the names of the presidents and secretaries of all local associations, together with certain other statistics. This report might be accurate for several months, at least with regard to the names of officers of local associations, if such associations would all have the same month of the year for holding their annual election of officers. Many local associations hold their annual elections in January and February, while, on the other hand, certain associations hold their annual meetings on the anniversary of the birth of their organization. Consequently this statistical report, as far as names of officers are concerned, is never accurate for any

considerable length of time, and therefore we take this occasion to reiterate the recommendation made at the Atlantic City convention that all associations endeavor to hold their annual meetings in January or February.

We feel that it would not be amiss to again emphasize the absolute necessity of electing and keeping in office wide awake and progressive secretaries. The most successful local bodies affiliated with the National Association are those which have been able to keep a secretary in office for a considerable number of years. In several instances a small salary is paid to the secretary and the satisfactory progress made by such associations is largely attributable to the conscientious work of the secretary.

History of the Association Movement.

Acting under the instructions of the executive council, the corresponding secretary had printed an edition of 1,500 copies of Mr. Scovel's "History of the Life Underwriters' Movement." Copies were sent to the presidents and secretaries of all local associations, to the president and agency supervisor of all legal reserve insurance companies, to all insurance journals and to all insurance commissioners. Any member of a local association desiring a copy of this booklet should address the corresponding secretary and the request will be immediately honored. [A limited number of these booklets will be found in the rear of the convention hall.]

The Arkansas association has changed its name to the Little Rock association, the Kansas City association to the Topeka association, and the association formerly designated as the Harrisburg association has adopted the name of the Central Pennsylvania association.

I. Layton Register, president of the National Association during 1900 and 1901, died suddenly at his home at Ardmore, Pa., on Sept. 29. The National Association, through its executive committee at the mid-year meeting of that body, took official cognizance of Mr. Register's death by adopting an appropriate resolution.

Register Resolution.

Resolved, In the death of I. Layton Register the entire life insurance world had lost a brilliant star. His career was practically co-extensive with the development of American life insurance. Beginning in its infancy, when scarcely 50,000 policies were in force, he lived to see this number grow to over 35,000,000, contributing largely to its increase. He lived to see the business expand equally in its ideals and in the ethics of underwriting. He has always been in advance of his time and has stood for the highest things in life underwriting, and has been a shining example and inspiration to the entire life insurance world, for, notwithstanding his eminent ability and great success, he always chose to remain in the field.

He has been deservedly given the highest honors from his comrades that it was in their power to bestow, having been president of the Philadelphia association and president of the National Association. His indefatigable industry and eminent ability shown in his leadership of the organizations establish a debt of gratitude which will always remain. When life insurance was not the vocation it now is he was and has always remained eminent in his church, in financial circles, in Masonic circles and in his city, as well as in his chosen profession, to which he added the luster of an honorable career, an untarnished name and a worthy Christian gentleman.

With regard to activities of local associations during the past year special mention should be made of the Texas association, which organization is just in the beginning of its second year. Immediately after organizing, strong measures were at once introduced to stamp out rebating, twisting and other reprehensible practices, and the results have been most encouraging. A number of agents were arrested and brought to trial and punished to the full extent of the law.

Conditions have developed in several associations where the local executive committees have practically dictated programs throughout the year. A notable exception to this has been in the case of the Chicago association. Edward A. Fergu-

Pacific Prosperity

The year 1915 will present to the life insurance agents of the United States rare opportunities insurance-wise at San Francisco. Numerous Company Conventions will be held; numerous Association Conventions will be held, including that of the National Association of Life Underwriters; and last, but not least, the much-advertised World's Insurance Congress will be held, all in San Francisco and in connection with the Panama-Pacific Exposition.

This will mean that more life insurance agents will journey to the Pacific Coast in 1915 than ever before. It will further mean that many of the agents so visiting the Coast will become enamored with the Pacific Coast Country (as I was) and will decide to locate in that Country (as I did).

To all life insurance agents who make this 1915 Pilgrimage to the Pacific Coast, I extend an invitation to call at my offices, where, if desired, mail may be addressed during their sojourn in the Pacific Northwest.

Information concerning side trips for sight-seeing may be secured at my offices. Information and statistics concerning the Country may also be had for the asking. The above for no other purpose than that of making ourselves generally useful to our co-workers in life insurance who may be visiting in our section and with no thought of proselyting.

Any agent desiring information concerning a possible location in our agency will have to bring up the subject himself before such information is forthcoming.

Whether your call, if you make it, be one of pleasure or business, we extend to you the open hand in the spirit of the Great West.

H. H. Ward, Manager, Pacific Northwest

Pacific Mutual Life Insurance Company

Hoge Building, Seattle, Washington

Title & Trust Building, Portland, Oregon

Bank of California Building, Tacoma, Wash.

P. S.—There are many great things to be seen on the Pacific Coast: Mountains, rivers, trees—all “Giants of the Pacific” in their respective ways. The Pacific Mutual Life Insurance Company is the “Giant of the Pacific” in life insurance.

son, its president, early in the year sent out inquiries to all members of the association seeking information as to along what particular lines association work should be developed. The replies received were tabulated and the work of the Chicago association has been planned along the lines indicated by the majority of its members.

President Clark and Vice-President Edward A. Woods have addressed many of the local associations and there has been a noticeable increase in activities immediately following their visits.

Realizing the advantages which accrued from the first Northwest Life Underwriters' Congress held in Seattle, there has been a movement in various sections of the country to plan for similar gatherings. The Atlanta and Savannah associations of Georgia are planning for a State congress, while the New England associations held a congress on April 27 at the Parker House in Boston.

The outlook for the future of the association movement is most encouraging. Under the direction of President Clark and with the help of the executive council the endeavor has been at all times to accomplish those things which could be of real, practical, helpful service to the membership, and those vitalized influences will without doubt show large results in the years to come.

REPORT OF EDWARD A. WOODS, CHAIRMAN OF THE COMMITTEE ON TAXATION.

Summary of the Bare Facts Incident to a Year Full of Hard Work—Wide Distribution of Taxation Bulletin and Much Publicity Secured.

(On account of space limitations names of companies and names of local associations have been deleted.)

Your committee on taxation reports that it prepared a circular asking life insurance companies and life underwriters' associations for co-operation along the lines requested by the National Association's resolution and sent it to 251 life insurance companies and 86 underwriters' associations.

Replies promising co-operation were received from 45 life insurance companies.

The remaining 206 life insurance companies did not even reply to the circular, which was signed personally by all three members of your committee.

Of the 86 life underwriters' associations to whom the circular was sent 50 have already appointed a committee on taxation.

Twenty-four associations have held meetings devoted to the subject of taxation, 14 of which were attended by the chairman of your committee.

Owing to the co-operation of association members great publicity has been given to the subject in the newspapers wherever these meetings have been held, and in many cases persons prominent in official positions have attended.

Many associations have offered to hold meetings, but require a speaker thoroughly familiar with the subject. If even life insurance men are not sufficiently familiar with the evils of insurance taxation to discuss it, it certainly shows the need of an upstirring and agitation of the subject.

Perhaps the principal work of your committee has been the preparation of a badly needed popular pamphlet on the subject, a copy of which is hereto appended and made a part of this report. This circular has received great publicity from the daily papers, and insurance journals. It has been highly complimented by many companies, not only in words, but we have also received orders, up to the present time, for 71,700 copies by various companies including such orders as follow:

New York Life	5,000
Association of Life Insurance Presidents.....	10,000
The Equitable (New York).....	8,000
Kansas City Life	1,000
Columbus Mutual	250
Capitol Life (Denver).....	500
Massachusetts Mutual	5,000

Volunteer State Life	1,000
State Mutual (Worcester)	5,000
Southeastern Life	50
Fidelity Mutual	1,000
Atlantic Life	500
German-American Life	600
The Prudential	10,000
Equitable Life (Iowa)	200
Northwestern Mutual	5,000
Penn Mutual	1,000
Metropolitan	12,000
Germania Life	100
The Two-Republics Life	500
Union Central	5,000
John Hancock Mutual will publish entire article in its company journal, "The Satchel," circulation of which is.....	200,000

Many commendatory statements by life insurance men of the highest standing and of the widest influence could be included in this report, approving the committee's work and particularly the preparation of this badly needed publication, so that agents and, through them, policyholders and the public could be thoroughly informed on the subject.

The movement of this association has attracted the attention of the National Tax Association, which is holding its eighth annual conference on taxation at Denver this month. Professor W. F. Gephart, of Washington University, St. Louis, a noted economist and writer on insurance subjects, is attending by special invitation, the sessions of the conference on taxation, representing the National Association of Life Underwriters, and on this occasion the taxation of life insurance policyholders will be one of the subjects to be taken under consideration by this influential body.

This committee is thoroughly aware that this movement to create a sentiment against the increase of taxation of life insurance policyholders is no one year task. The work has just begun. To be effective, it must be maintained until every agent will constantly, in his daily canvassing, be mindful of this unjust and onerous burden upon the American policyholder. The recommendation that every association appoint a standing committee on the subject of taxation, wholly distinct from the committee on legislation, and that at least one meeting a year be devoted to the subject, still stand. The committee wishes to remind all associations and all members that no great public reform can be brought about through a few months' spasmodic effort. The fact that the daily press in many of our largest cities has voluntarily endorsed this movement for the relief of policyholders, is an evidence that publicity not only for the campaign against taxation of policyholders, but of the social value of life insurance can be obtained. It is believed that the result of this campaign, if persistently followed up, will not only be to free policyholders from much of the burden of taxation now resting upon them, but also to fix life insurance in the public mind as a public institution of the highest social and economic importance, and to give to insurance men themselves a much higher ideal of our great institution.

VICE-PRESIDENT JOHN N. RUSSEL, JR., GIVES ACCOUNT OF ASSOCIATION ACTIVITIES ON THE PACIFIC COAST.

Two New Associations: Everett, Wash., and San Diego, Cal.—The Pacific Coast Membership Trophy Stimulates Friendly Rivalry in Local Associations with Splendid Results—Course in Life Insurance Established in University of Southern California.


The continuous and extensive activity of our president has left little for the vice-presidents to do in connection with the work of the National organization. My efforts in the cause which this body represents have, therefore, been confined to

1850

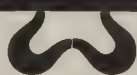
1914

The United States
Life Insurance Company
In the City of New York

ConservativeStrongReliable

FOR SIXTY-FOUR YEARS
 this old Company has served
its policy-holders faithfully—giv-
ing them sound and satisfactory
protection for their dependent
ones, at minimum cost.

It issues Non-participating Insur-
ance only. Everything guaran-
teed in plain language.



the Pacific Coast, and I shall restrict my remarks to a statement of conditions in that section.

There are present here a greater number of delegates from the Pacific Coast than ever before attended a convention. This may be accepted as an indication of growth in numbers and interest. At the beginning of the year there were associations in San Francisco, Los Angeles, Portland, Seattle and Tacoma. Since then one has been organized at Everett, Wash., and another at San Diego. Since the date of the last convention these bodies have admitted approximately 350 members, which I believe to be the highest figures ever attained as compared with any other year. We attribute this expansion and the coincident growth in interest and enthusiasm largely to the efforts of the splendid work which has been done by the National Association in the past few years.

Pacific Coast Contest.

The Pacific Coast contest cup has proved a helpful factor in the promotion of friendly emulation and the increase of membership. The idea of this competition had its birth at the Atlantic City convention. The cup was donated by Messrs. W. D. Mead, of Seattle; H. H. Ward, of Portland; W. L. Hathaway, of San Francisco, and myself as a member of the Los Angeles association. The Pacific Coast association, securing the largest number of new members during a period of six months, is entitled to hold the trophy for the ensuing period. Permanent possession may be gained by winning three times. The first contest resulted in favor of the Puget Sound association, with Los Angeles a close second. San Francisco then secured the cup. The third period commenced July 1 and promises a keen struggle from which the Los Angeles association is determined to emerge victor.

The contest cup has proved so effective in producing the desired results upon the Pacific Coast that I strongly recommend the plan to other sections of the country. Three to five associations in any territory might combine to carry it out. In case a trophy should not be obtained by donation, it could be paid for by contributions from the treasuries of the associations interested.

The Convention Club.

Three years ago, as some of you are aware, we originated in Los Angeles a plan which has proved remarkably effective in securing attendance at the National convention. The method might be followed with advantage elsewhere. The month following the adjournment of the convention members of our association who purpose attending the next, form a "convention club." Each member is required to contribute a certain sum monthly, his aggregate payments approximating the amount of the necessary traveling expenses. Any member of the club who fails to go to the convention forfeits one-fourth of his deposits to the general fund, to be paid to and to be used by the delegates who do attend the convention. Without doubt we owe it largely to this arrangement that Los Angeles is so numerously represented here, despite the fact that our delegates had a longer distance to travel than any others. This plan would be especially effective in bringing a large delegation to the 1915 convention, should it be held in San Francisco, notwithstanding the increased traveling expenses, particularly for those living in the Eastern States.

The experience of Los Angeles in another particular may be of interest to you. For some time past our association has aimed to place all its members on an equal footing; that is to say, we make no distinction between managers and sub-agents. Our present president and secretary are both field men.

A great support to the association, however, is our unofficial managers' association, which meets informally at luncheon on alternate Mondays. Each manager in alphabetical order acts as host, defraying the entire expense and every other manager who is a member of the association receives an invitation to be present as a guest. These meetings, which are well attended, afford opportunities for discussing matters of mutual interest and tend to create and strengthen friendly relations.

To these meetings is largely due the good will and understanding that exists among the managers who belong to the association. Co-operation is readily gained for any movement that promises to promote the cause of life insurance in general or the welfare of the men locally engaged in it. Difficulties and disputed questions are, with rare exceptions, disposed of in an amicable manner and to the satisfaction of the parties involved. To this desirable condition may be attributed the infrequency of reprehensible practices, such as rebating and the twisting of policies and agents. Whereas Los Angeles was formerly the field of operation of a number of dishonest and unscrupulous agents, it is safe to say that at the present time the business of life insurance is conducted there upon as high a plane of ethics and efficiency as it is anywhere in the country. And this notwithstanding the fact that California has no anti-rebate law. It is hoped, however, that through the efforts largely of our legislative committee the next legislature will enact some desirable and effective laws.

Education and Conservation Committee.

The Los Angeles association has an active committee on education and conservation with former National President McMullen as chairman. The amount of subscriptions to the advertising fund to date this year is \$783, being contributed by 23 subscribers. A considerable amount of publicity has been secured through the press, one of our daily papers having a regular life insurance column each week. As a consequence public interest in life insurance and in the work of the association has been aroused to a perceptible degree.

The University of Southern California has established a chair of life insurance with Forbes Lindsay as the first incumbent. A comprehensive course of lectures will be instituted and commenced with the opening of the new year.

In June the first Southern California Insurance Congress was held in Los Angeles with marked success. The attendance was large and enthusiastic, about 500 having been present at one of the afternoon sessions, while 300 or more were seated at the banquet. The congress embraced various kinds of insurance, but life greatly predominated. Much effective work was done in the way of publicity and in behalf of proposed legislation.

World's Insurance Congress.

The World's Insurance Congress, to be held in San Francisco, October, 1915, is a matter of keen interest to all the Pacific Coast associations. Needless to say, the entire life insurance fraternity of the Far West is looking forward with eager anticipation to the next convention of the National Life Underwriters' Association in San Francisco. Coming as it does during the expositions at San Francisco and San Diego will doubtless insure an attendance much greater than at any previous convention. The associations of the Coast extend a hearty and general invitation to the life insurance men of the world. Each association will keep open house throughout the year and be prepared to extend hospitality and welcome to all members of our profession.

I regret that my report is necessarily confined largely to Los Angeles. This is accounted for by the fact that, with the exception of the recently organized body at San Diego, the nearest association is 500 miles distant, and I have not found it practicable to visit any of the northern coast cities when their associations were in session.

My hearty thanks are extended to Messrs. W. D. Mead, of Seattle; H. H. Ward, of Portland; W. L. Hathaway, of San Francisco, and F. E. McMullen, of Los Angeles, for their constancy, loyalty and ever readiness to guard and assist in the welfare and progress of our association work in the Far West.

In conclusion let me express the belief that the work of this body and its auxiliary organizations is extending with constantly growing influence. The time is fast approaching when every well-intentioned manager and solicitor will be a member of the life underwriters, and failure to belong to an association will be just cause for suspecting a man's good faith.

Aggressive Conservatism

THE FRANKLIN has closed each year since organization with more assets than it had at the beginning of the year.

THE FRANKLIN has shown each year a substantial increase in the volume of its outstanding insurance.

THE FRANKLIN has made each year an increase in its Legal Reserve—the fund created and held for the fulfillment of policy obligations.

THE FRANKLIN has saved and set aside for its policy-holders each year more than the amount thus legally required.

THE FRANKLIN has never lost a dollar in the investment of its funds.

THE FRANKLIN has never lost a dollar of interest on any investment.

THE FRANKLIN has never closed a year with a dollar of principal or interest in default.

The Franklin Life Insurance Company
SPRINGFIELD, ILLINOIS

WANTS an "Aggressive Conservative" man capable of employing and developing agents. Splendid opportunity for competent man.

"WOMAN'S INTEREST AND INFLUENCE IN LIFE INSURANCE."

Report of Mary Roberts Rinehart, Chairman of Committee of Award—John R. McFee, of Chicago Association, Awarded Calf Cup and R. O. Miles, of San Francisco Association, Wins Williams Vase—Forbes Lindsay, of Los Angeles, Accorded Honorable Mention.

The committee of award for the prize essay contest makes the following awards: First prize, essay No. 051; second prize, essay No. 1,915; honorable mention, essay No. 1,860.

Following close on the heels of the prize winners were at least a dozen most acceptable essays. The choice was a difficult one; and, as a partial justification of the award, the chairman of the committee submits the following pertinent lines from the winner of the first prize:

"Life insurance leaves death to its heartaches."

"Capital produces income; life insurance makes income produce capital."

"The world is little hurt by the failure of any man's business, but destroy the home and you impede the race."

"Had we no wives, we should have little use for life insurance."

"Women are oftenest income dispensers, rather than income producers. Since on the success of the home is based in large measure the value of the children as factors in the world's work and progress, she requires a sure and persistent income that this, her great achievement, shall go on."

"The direful tragedy of life is the widow stripped of income. 'The only son of his mother and she was a widow,' followed to the grave, inspired the divine compassion of the Saviour."

"From the destruction of the weak in life's battle we have obtained data for the strong."

* * * * *

The last few years have seen an important economic change in the status of woman. Her desire for the suffrage is merely one manifestation of the change. Naturally, having become a wage-earner, and finding herself taxed, she is taking more interest in the principles of government which underlie taxation. But the change is not only political.

She is earning money. For the first time, perhaps, she is learning just how much blood and brain and sweat goes to the earning of a dollar. Once four per cent. interest was to her a pleasant abstraction, now it means four cents a year on a dollar. That's one thing she is learning. Not only the purchasing power of money—more, even, than its interest-bearing quality—she is learning the *cost* of money in human effort.

And her education is not ended there. The pleasant myth of the inevitability of the pay envelope is passing, for her. She works and earns, and she is tragically aware on how precarious a thread industrial permanence hangs. The battle is to the strong.

The result of this new and intimate view of life, the result of these new contacts, has been a change from the fatalistic viewpoint to a more rational one. Women have learned to look ahead. No one has ever accused them of cowardice; they have looked forward through the centuries with unblanched faces to approaching maternity. They have met death, when it came, heroically. What they have lately learned is to substitute, for faith, deeds: As against a future that they trust may be provided for, for themselves and for their children, they are learning to insist on adequate future protection definitely assured now.

It does not go far with the average woman to talk to her of the future well-being of the race. She is as individual as a tigress with a litter of cubs. But let her see, as I see now and then, the dazed eyes of some wretched mother,

crushed by the economic impossibility of caring for her children and supporting them at the same time, and she should need no further argument for providing against the future.

Men are largely to blame for the antagonism some women feel toward life insurance. They do not know all that it implies. It sounds like a death bounty. It would be better, perhaps, if we could eliminate the word 'life' altogether. The fact is, that insurance to-day is so much more than a death benefit that it seems a pity to allow it to be handicapped.

But the fault is deeper than that. It goes back to the age-old reticence men preserve with their women as to their business, to the patronizing attitude of the male who attends indifferently well to one business, toward the female who attends with fair success to such trifles as bearing and rearing children, and disbursing ninety-five per cent. of his total income.

I have a maid in my house who carries twenty-five hundred dollars insurance, and stirs herself to do it. She is doing that and supporting two small boys, because her husband, a lumberman on a big salary, left her no insurance. Twice a month she goes to an asylum and spends a visiting hour with her children. She is a tragic figure. If it is given to those who pass over to see what goes on here on earth, I hope the lumberman realizes what he has done.

Personally, I believe in life insurance. The American people have not the quality of thrift. A man thinks he deserves credit if he lives within his income. He saves little, and what he accumulates is prone to be diverted to the Get-Rich-Quick Wallingfords of his day and generation. But he will meet his insurance payments when he will save in no other way. As long as he can pay his premiums, he is a capitalist.

In the words of the winning essay, "Capital may produce income; in life insurance income produces capital."

Tell that to women.

For the Committee:

(Signed) MARY ROBERTS RINEHART,
Chairman.

Essay of John R. McFee.

The thesis suggests an interest in the sense of a right, a title, a material asset; it likewise suggests a psychological concern, a feeling, an attitude of mind toward the institution of life insurance itself.

Women are either maids or wives or widows. When unmarried, living under the parental roof, they owe a service and are entitled to a compensatory maintenance, a right not ceasing on the mere attainment of a fixed age. The law has not removed as yet this difference between the daughter and the son. Even now an unmarried woman at home may not own her own wages.

As wives, women bear and rear children and expend the family income in sustaining the home. Women are oftenest income-dispensers rather than income-producers. Whatever her attainments, however trained in business efficiency, she becomes usually a participator in the husband's income when she becomes a wife. On her competent fulfillment of the manifold duties of the home-keeper rests the success of the home. On the success of the home is based in large measure the value of the children as factors in the world's work and the world's progress. She requires a sure and a persistent income that this, her great achievement, shall go on.

The direful tragedy of life is the widow stripped of income. "The only son of his mother and she was a widow," followed to the grave, aroused the divine compassion of the Saviour. "He touched the bier and they that bare him stood still and he said: 'Young man, I say unto thee, Arise.' And he that was dead sat up and began to speak." The simple narrative becomes sublime when it is added: "And he delivered him to his mother." In the hearts of us all, this funeral procession is thus converted into a festival of rejoicing.

Life insurance leaves death to its heart aches. We cannot remove its sorrow, but we may prevent its financial disaster.

The Young Man of To-Day Can Enter

no line of business or profession
which offers such opportunities
for success and advancement
as does

The Field of Life Insurance

For such men as contemplate
making this their life work we
direct their attention to the

Pittsburgh Life and Trust Co.

W. C. BALDWIN, President

HOWARD S. SUTPHEN, Director of Agencies

INSURANCE IN FORCE OVER \$100,000,000.00

for a function of life insurance is to perpetuate earnings. The only equivalent of power to earn by the toil of hands and the ingenuity of intellect is the ability to draw an income from capital. Capital and labor, linked, work the world's advance, but work is short and capital long. Capital should have no vicissitude but its squandering. Its use is transferable and its guaranty of performance is always possible. Men struggle on to heap up capital, that they may rest from labor in enjoyment of its power to produce an equivalent to the earnings of labor. Capital may produce income; life insurance makes income produce capital, even capital ready invested, continuing the pay envelope without interruption.

From the destruction of the weak in life's battle we have obtained a datum for the strong. From the race experience in mortality we have fixed a mathematical value based on the persistence of groups of lives, however uncertain be the life duration of an integer of the group. This money value to a race experience is peculiarly women's heritage.

Woman's duty follows her love and abides oftenest by the fireside. You may destroy a business and with it perhaps much good to mankind, much happiness to the one who achieved the triumph of the business. The world, however, is little hurt in the failure of any man's business. But destroy the home and you impede the race. The home must be secure or the race is imperiled. We may call asylums homes, but they are bare institutions, because no mother is at the head. What is sadder than a mother forced from her children into unprofitable toil, living in the hope that she may manage to be at the asylum gate on the next visitors' day?

Woman's interest in the sense of her right to have life insurance for her benefit, women's interest in the sense of her concern for this most effectual and available institution for her safety is, therefore, unique. Had we no wives, we should have little use for life insurance.

What, then, is her actual and her possible influence toward life insurance? It is the bitter experience of life insurance negotiations that the wife more often impedes than aids their work. Her very selfishness should call for her enthusiastic help. The estate created by life insurance vests in possession when her despair is greatest and her sorrow deepest. It comes, then, untrammelled, undelayed, a balm of relief when the shutters are opened just after the burial. It comes into the home with the first sunbeam entering after the funeral gloom.

Woman ever is aiming to advance the happiness of humanity in all of her social activities. In her clubs she fights the saloon and the brothel, she reaches ever down to the abandoned, the suffering and the tempted. She demands the ballot as a weapon in her fight for social uplifting. In her individual, as well as her co-operative, life she leans to kindness. A cruel woman is a psychopathic exhibit or a jungle remain. In hope and in fear, in love and in pain, she carries her child under her heart. With its birth comes the consecration of sacrifice. Militant she may be and destructive in her militancy, but she fights ever in her sex love of the oppressed. Sincerity of purpose her bitterest judge concedes. So her personal life and her community interest reflect a mother love which no spinsterhood can shrivel and no waywardness crush. Man's strength and woman's faith, manly deeds and womanly creeds, give life its high value. Because life insurance is peculiarly woman's insurance, it asks her influence to give broader use of its guaranty that women's mission shall not fail.

Let women fully grasp life insurance truth and their influence will bring its boon to every home. Thus we shall realize as a feminine truth that "wisdom is justified of her children."

Essay of R. O. Miles.

Everything that makes better lives and better living conditions is the problem for the modern woman. Life insurance means that in its broadest interpretation. Women and

the home have always been the greatest single reason for the growth of the institution of life insurance. Woman's position as a factor in its further development is of increased importance on account of her progress in recent years in gaining economic, political and mental independence. From being the passive, ignorant and helpless recipient of the proceeds of a life insurance policy at the time of her husband's death; from being indirectly the thoughtless opposer of life insurance to being a direct, great influence for good in and through the greatest institution of the civilized world, is an advance which means more than words can tell or the imagination grasp. This advance has now been made by many individuals of the sex and will be made by legions more who are striving for the best in life.

Let us think principally of those women who are the direct descendants of our pioneer ancestors, who fought loyally by their husband's sides for the right and the truth as they saw it. We need not include the few erratic examples of this age of women's rights, but rather deal with those women, noble and loyal wives, using their powers to the utmost for the welfare of the family and the community.

It is, therefore, in several ways that we may discuss women's interest and influence in life insurance. When considered as buyers of life insurance, women may be thought of as are men. They buy it for their own old age and as a means of saving, and purchase it for the protection of those dependent upon them. As woman becomes a more effective wage-earner, she will have relatively greater purchasing power with which to protect her increasing income-producing ability. As she becomes better educated, her understanding of life insurance increases and her foresight becomes keener. As the number of women buyers of life insurance increase, so also will the number of women sellers multiply. As a seller of life insurance to women, a woman agent has a large field in which she can work more effectively than a man as she can better appreciate women's needs and can work in strict harmony with her clients.

But it is as a wife that women's influence in life insurance is unquestionably the greatest. Her capacity for good here depends upon her education and her ideals. Without ideals her influence is that of the selfish woman who prefers temporal pleasures, and without education her influence is that of the frequently found, good and unselfish wife who, because of her lack of knowledge, feels that she should not want her husband to deprive himself in any way, for she argues he might have to deny himself if he purchased life insurance for her. Oh! if such women only could get a glimpse of their own and their children's possible future condition, if they could but see the struggles of body, mind and soul of many who have been suddenly left without the support of husband and father. Little too, do some know of the security and happiness which every self-respecting man feels as the result of possessing a good life insurance estate and the comfort and satisfaction which comes to him, who so provides, when in his advanced age he elects to secure for himself the results of his thoughtfulness, thrift, and, in some cases, self-sacrifice.

To be the instrument of greatest good, women must be wives who will share intelligently in their husbands' plans for the future of the family; who will help advise as to the division of the family income and as to the amount to be saved for the protection of themselves and their children from dependence upon relatives or the State. She will know about her husband's investments and life insurance policies and be consulted as to the best manner for their payment, to the end that every dollar will be conserved and none of the proceeds wasted or badly invested. She will guard her husband's earning capacity and make sacrifices if necessary so that that earning capacity may be fairly perpetuated by the proceeds of life insurance after death.

In the accomplishment of these ends, the sensible woman will realize her vital interest and influence in life insurance.

SECURITY MUTUAL LIFE

Insurance Company

BINGHAMTON, N. Y.

FREDRIC W. JENKINS President

Sure you can make money.
Every one who works hard
Can do so, if he
Uses the right methods.
Results follow concentrated effort
Intelligently put forth.
Try a contract with us;
You will not regret it.

For particulars address

C. H. JACKSON, Supt. of Agencies
Security Mutual Life Building
BINGHAMTON, N. Y.

She must be sensibly educated and take the right view of life, loyally co-operating for the welfare of the home and the community. In considering life insurance as a crusade against ignorance and as a means of keeping families independent and free, there is found an ideal field for women and one so rich that the results which may be obtained are still only surmises.

With her vote, woman may influence legislation so that thrift, through life insurance, may be encouraged and not taxed as at present. With her political power, she may help safeguard the public health and do in the community what she does in her own household for the maintenance of her husband's earning capacity and the future well being of her children.

Her interest and influence in life insurance are boundless if she brings to bear that undaunted spirit of striving for the right which is her heritage from her pioneer mother, her own high ideals and her direct political power, the gift of the twentieth century.

Essay of Forbes Lindsay.

The interest of women in life insurance as an agency for the preservation of the family was obvious long before they arrived at an adequate appreciation of its beneficence. In late years the primary purpose of protecting the wife and the mother has been extended to conform to various new needs of women growing out of their entrance into fields of business and professional activity formerly occupied almost exclusively by men.

In the days of our grandmothers a woman's sphere of activity was limited to household duties. She passed from a stage of dependence as daughter into another as wife. To-day upward of 5,000,000 American women are engaged in gainful occupation. One of every five adult females among our population is at least contributing to the expense of her maintenance. A large number of women are the sole support of dependent relatives. Mothers support fatherless children, daughters support widowed mothers and wives support invalid husbands. The responsibilities and cares of such women are no less than those of men in similar positions, and the protective function of life insurance is as effective in one instance as in the other.

To the self-supporting woman who is free of encumbrances life insurance should make a hardly less urgent appeal. The necessity of providing for the decline of life is peculiarly great in her case. While the period of earning capacity is shorter with women than with men, those of the former who attain to old age live longer than the latter

in general. Aside from the specific object of anticipating senility, life insurance affords a medium of saving which is particularly favorable to women in view of their comparative inexperience in financial affairs and limited opportunity for making sound and profitable investments.

There are other classes of women, less numerous but distinctly defined, to whom life insurance offers services that cannot be as economically nor effectively secured by any other agency. Mention may be made of women having incomes which will expire with their death, women who are interested in the maintenance of charitable institutions or the promotion of philanthropical causes, and women who have built up businesses in which their personalities are important elements.

Concurrently with the growth of women's interest in life insurance the restrictions against the acceptance of them as risks have diminished. Reliable statistics indicate that in general they enjoy greater longevity than do men. If there is any valid ground against their admission to the advantages of life insurance upon the same terms as men it exists solely in their disinclination to submit to equally searching examination and their inferior candor in responding to relevant inquiry.

The time when women commonly stigmatized life insurance death claims as "blood money" and entertained the foolish superstition that carrying a policy was a manner of "tempting Providence" have long since passed. The woman of to-day has awakened to a sense of the value of life insurance, but her attitude toward it is rarely more than passive, and not infrequently antagonistic. She is as yet far from having reached the condition of recognizing her right, personally and as the guardian of her children, to adequate life insurance protection.

If the active influence of women should be generally exerted in favor of life insurance the greatest potential factor for its development would be brought into play. The co-operation of life insurance companies, auxiliary organizations and field men ought to be exerted in an effort to arouse this force. We know the prejudices, misapprehensions and selfish motives which underlie the opposition or indifference toward life insurance on the part of women. It is within our power to reduce, and ultimately eradicate, these adverse influences by a system of direct education. The object in question would be promoted by addressing to the prospective beneficiary a considerable proportion of the extensive insurance

BUSINESS POLICY

Vesting absolute control of dividends and policy values in the hands of the Beneficiary.

**\$10,000 Ordinary Life, Issued 1911,
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Life Association News

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No. 2.

LIFE UNDERWRITING AS AN ART.

PRACTICAL TALK BEARING DIRECTLY ON THE AGENT'S DAILY TASK OF MAKING THE PROPOSITION ATTRACTIVE.

Why Competition Agent Should Acknowledge Is the Competition With All Other Wants and Desires, Against Which Life Insurance Is Put as the Best, Noblest and Most Useful of Them All.

The following article is the text of a talk delivered October 9, 1914, by Former National President Charles W. Scovel, before the American Life Convention, Dallas, Texas. IT IS NOT HIGH-BROW STUFF, but a sensible, practical, every-day discussion of the problems you encounter daily. In suggesting to the agent how to make his proposition attractive, Mr. Scovel has made HIS story intensely interesting.—Editor's Note.

his title, ending in that big little word, "Art," would be really appropriate were I prepared to offer you to-day a shed essay or a glowing oration. But I do not come here in orator; nor yet as an artist. I come as a plain life insurance agent—and I know no higher title, if lived up to in its fullness of meaning. And I want just to make a plain, practical talk bearing directly on the agent's daily work. So I am going to ignore the distinction between home office and field, and talk to you as if we were all agents together. Let us begin by forgetting this high-sounding and misleading word, "Art." Its use here is all right by the dictionary, but in common speech it carries too much suggestion of the artificial and the ornamental to suit me, and it too often carries suggestion of artfulness or cunning, which is worse yet. There's nothing fancy, nothing cunning, about the true art of making life insurance. What the agent has to do is simply to take the actuary's technical tables and impersonal contracts and translate them into plain terms of what they will do for the man or that; to make out of them a personal proposition attractive proposition. The art of life underwriting in its essence is none other than simply this: "Making the Proposition Attractive." That plain phrase is definite and descriptive—it cuts to the core of the life agent's art. Let us keep it in the form of our topic in mind while we talk it over.

Attractiveness Defined.

Attractiveness means drawing; pulling; getting a person to go with you. It does not mean merely making the proposition convincing, or instructive, or entertaining. That is not going to the point at all. To be attractive we have got to get under the man's skin, get into his heart, arouse his desire, make him want it; make him want it for his own; make him want it right now. We must make him want it more than he wants the other things that are clamoring for his money; his own wants and his family's wants. Every man has more things that he wants to do with his money than he has money to do them with. We have got to bring the want right up to his eyes, so that it is the nearest and most wanted; the one that he wants most among the many.

Here, gentlemen, is our real competition. The only competition we ought to acknowledge is the competition with all the other wants and desires, against which we put life insurance as the best and the noblest and most useful of them all.

Now it is not enough to make the proposition attractive just in a general way. Our topic is not complete. It should be worded, "Making the Proposition Attractive to Jones," letting Jones stand for whichever prospect we are talking to, and each one in turn. There is the vital point in the whole matter. A mere general disquisition, however logical, or the mere painting of a fancy picture, however beautiful, is not the thing. Our proposition has got to be personal. It has got to grip Jones and pull him. It has got to reach inside to his points of contact; to meet his needs. This means we have got to study Jones. We have got to find out all we can about him before we can really talk to him; before we are ready to state our proposition so as to attract him.

The First Interview.

For that purpose I believe it is a very good practise, as a rule, to make the first approach as a mere call for data. "No, thank you, Mr. Jones, I won't sit down. I don't want to 'talk insurance' to you. I haven't time for that myself, and anyhow I don't want to take your time with generalities. I only want a few data now, and then to come back at your convenience, with a definite proposition to fit your case; showing the modern service that life insurance can render to you and yours in figures for your own age; which is —?" And so on. You haven't got him braced against you, because you are standing up and will not sit down; you are not trying to do anything to him then. It is surprising how in two or three minutes of stand-up talk like that most men will open up and tell you the things you ought to know before you make any proposition. Note them down on a prospect card in his presence. Get an appointment, or at least ask what part of the day is the most apt to be convenient. Note that down too. Noting down the data helps to rivet the impression you are trying to make in this brisk, brief call.

Then when you do come back you find Jones in a very

desirable frame of mind. He is approachable, he is tractable. Why? He has given you permission to frame something to fit him. You have made a sample sketch to his order. He feels your proposition is something personal to him, not just the same old "hand-me-down" talk. You have made it attractive to him before you really begun to tell it. That is worth everything if rightly followed up.

Now for the "proposition" itself. Our proposition includes four elements: Ourselves; our company, the services that fit Jones, and the policy whereby those services are to be rendered.

Ourselves. Our own personality. It is a wonderful thing, is personality. It is a part of our proposition, and a big part when you come to consider attractiveness. The personality of an individual has an attractiveness that we can never, as long as we live, give to the company. No company talk can possibly have the quality of attractiveness that will radiate from a genuine personality. We want to take pains that this personality shall express itself right; that it shall be right in appearance—not dressy or fussy, but clean; clean of linen and clean of shoe; clean of breath and clean of fingernail. That it shall be right in manner—not dominating or autocratic, but self-respecting, and thus surest of Jones' respect.

Sincerity and Earnestness.

Above all else, we want that personality to be full of the sincerity and earnestness that ring into every heart. I knew a German agent a dozen years ago, who did a remarkable business. He was a very ordinary man in most respects. His language, like his grasp of the subject, was limited. He would simply look into the man's eyes and say, "You pay \$50 a year and if you die your wife gets a tausend, and if you live 20 years you get a tausend. *It's a goot ting!*" The man would say, "Well, but so and so." "Yes, but she gets a whole tausend dollar when you die. *It's a goot ting!*" "Well, but this and that and the other thing." "Mabbe so, but you get a tausend dollar just when you get old and need it. *It's a goot ting!*" He didn't know enough to argue the matter (fortunately), but his whole soul glowed through those words, "It's a goot ting!" His earnestness was like a white flame that shriveled up all excuses and kindled the answering flame of desire. Such glowing sincerity is the only element of personality, I believe, that is sufficiently strong and important in attractiveness to stand alone and dispense with all the rest, as it did for this Dutchman of happy memory.

Another main element that reveals our personality, attractively or otherwise, is what we say and how we say it. We want first to put ourselves squarely at Jones' point of view, and really enter into his interests, and then say everything from that standpoint. This is vital; never to be forgotten. We want to talk to him in a non-technical manner; tell him plainly what insurance will do for him and his, using only non-technical words—deposit, instead of premium; sinking fund or savings, instead of reserve; contract, instead of policy; life income, instead of continuous instalment. We must get clear away from our ordinary lingo into his lingo. That is our job, to translate the whole subject into his lingo.

A Non-Commercial Proposition.

We want then to impress upon him by our manner of talk that this is a non-commercial proposition. I think that is of real importance. Most men think of it in terms of buying something from the company through us. They are not buying anything at all. They are coming into a co-operation. Life insurance is not a proprietary business that manufactures a product and sells it to the other fellow. Life insurance is really manufactured by the policyholders themselves; by their pooling their lives together in large enough numbers for nature's law of mortality to apply. All those lives insure each other; the company, whatever its form of control, is only the central bureau through which they do so. Moreover, the vast bulk of the assets held by any company (after its earliest years) is the policy reserve, and every dollar of that belongs, in law and fact, to the policyholders. The company management is only their trustee; it doesn't own the money at all. The stockholders, if any, are strictly limited by all States in

their rights of control, and by some laws and charters are limited even in their right to the profits. In its essence, life insurance is a scientific co-operation, and in its practical workings the interests of policyholders and public are favored and protected by a system of laws and supervision such as nobody would dream of applying to any commercial or industrial business, big or little.

Then we want in all our talk to be non-competitive. Look to our own company; to others not only fair, but courteous. That will impress Jones. We want to speak of "sister companies" and of "brother agents" and mean it! The way we mean it is to feel it, to get in touch with the brother agents of other companies, to join the underwriters' association and get the feeling of the common cause—the feeling that the whole common cause of life insurance is really greater than any company, and that the proudest thing that any company can do is but to be a worthy example of what true life insurance is.

Such a personality is bound to be attractive. Jones likes that fellow. He likes to see him come around. He has confidence in him. He would like to do business with him. He is attracted.

Company Talk.

Now we come to the company. As already hinted, the company, while a vital part of our proposition, is not the attractive part. No man ever took life insurance because he admired a company. Never. No kind of company talk will attract a man and make him want insurance. Never. We can't get that too clearly in our minds. Company has its place afterward, but it does not belong in the foreground where we are reaching out to attract Jones. We want resolutely to keep it out of that foreground. We want to talk of the company only in an incidental way. We want to weave it in as we are telling him of the service that life insurance can do for him and his; to weave in some references to the in which the company does it, the strength and thickness of the service for that particular service, etc. So, without having had to ask a question about the company, he has, when we are through, a fully satisfied feeling that the whole proposition is all right, including the company.

If you make a direct assertion to him about your company just as if you make a direct assertion about yourself to him, he will discount it and double discount it. It will arouse him criticism and opposition. I can't say to a man, "I want you to understand I am telling you the truth," without immediately wondering why I have to say that. I can't tell him that my company is the best company without his immediately thinking, what of the other ones? I can't even tell him directly that it is a good company; I can't bring up the question up at all without making it questionable. In other words, the company element is much stronger if you let it come without saying; if we let it slip in by suggestion, without a direct assertion. I believe that is the real scientific salesmanship on that point.

Emphasizing the Institution.

All that is necessary is a state of confidence in Jones' mind. If that isn't there already, we can best create it by talking of the institution; the institution of life insurance—including our company as one of the well-known, representative companies—but emphasizing the institution of life insurance. Emphasizing the wonderful science with its calculations verified like those of astronomy for 150 years; the world's one specialty in financial obligations a lifetime ahead; an applied science that cannot be operated with discrimination or favoritism; that by its very nature necessitates the same terms for all, and a square deal for each. These are the things that create confidence. Likewise the vast funds, the vaster membership, the wide distribution of both; the strength of the broad average not only in the averaging of lives, but also in the averaging of investments.

Likewise the wide open publicity, the strict laws, the stricter supervision of several different States, and all the other safeguards. There is a broad field of institutional that we can put in general phrase, all the while carrying on our own company with it, under the breath, as a matter of co-

at goes without saying. That creates confidence in Jones' and without arousing question or discussion. That, I think, the best way to talk company.

If it is necessary to go further, if he insists on something more definite, even then we should limit company talk to the best of figures and broad facts that are indisputable. It is enough to say this service is backed by so many hundred thousand or millions of dollars, and by so many thousand joint owners; both assets and owners spread out all over so many states; all those joint owners chipping in their little deposits from everywhere in a continuous stream, like street car tickets; a stream that never stops; no matter what the financial situation is, even though the banks and other sources of money are dried up.

Simple Truths.

These and other simple truths that we all know, but forget to tell, will make Jones think of the strength and stability of life insurance as compared with the other business and financial institutions that he is accustomed to trust. Show him how supremely strong and scientific and liberal life insurance is, and we have founded his confidence on bed rock—and he accepts our own company without question, as part of the bed rock proposition. In short, I believe we want to talk company like we would talk about our mother; not with the idea of showing how much better our mother is than somebody else's mother, but that she is an example of all that true motherhood means; referring to her and what she does with loyal pride that will make Jones think, "That is a pretty nice mother; if I had no mother I would like her to adopt me." These services that fit Jones. Here is our real business—at first, what are Jones' needs? His chief needs, and his lesser needs? The needs that he knows about and that we have got to begin with, and the needs that are only latent, that he has not realized, and that we have got to develop? That is the first thing that we have got to do. Attractiveness means life, and we have got to have a hook to pull on. We have got to bring Jones' needs home to him, as the very first step in attracting him.

Immediate Action.

Make him realize a new kind of need right at the start, when he says, "I don't need insurance." "Why, of course, you don't need insurance, Jones. Nobody ever needed insurance when he took it. When he needs it it is too late. There are billions of dollars of life insurance in force, every bit of it when it was not needed. If you are going to wait until you need insurance you are going to die without it." Most men don't realize that they have got to act on life insurance in a different way from what they do on anything else. Other needs can be filled when felt. Life insurance cannot be. When Jones realizes this he commences to think more seriously. Maybe he will say, "Yes, I may need it in the future, but I'm not going to wait too long, but I can't take it just now." "Well, Jones, delays are dangerous." "Oh, yes, I know. I'll have to take the risk of dying meantime." "Ah, that isn't it. That risk is bad enough, even if you have had it before you so long that you are calloused; but I want to tell you there is a risk 10 or 12 times greater—the risk of your becoming uninsurable. Last year one out of nine applicants was rejected. That is 10 times the death rate at age 5; 13 times the death rate at age 25. The big risk you run is that you can't get it when you do want it, and then you will make one more in the crowd that are seeking insurance in vain. One more who is all nervous and worried because he knows he has been rejected, and knows how his family will need that insurance, and knows bitterly that it is all his fault. The first need of all is to do it now!"

The need for his own old age must be brought home to Jones. We should refer to such books as L. W. Squier's fine work on "Old Age Dependency in the United States," and get early before our own eyes the appalling picture of what aimless old age really means. We ought to put that picture vividly before everybody, because every life policy we write as the endowment element in it, and in later years its cash

value will be a sure provision for his own old age. We want to get it fixed in Jones' mind right at the start that he is certain to be either a dead man or an old man, and that this one policy will cover both.

We should bring home to him also his imperative need for emergency cash through the years ahead, because every life or endowment policy has its loan value and even the ordinary life, a very large proportion of the total deposits he has made is held for him in that ready cash fund. We should show Jones that in carrying this insurance against death he is also laying up the great bulk of his payments as a cash insurance for any time of sickness, accident, non-employment, or other real emergency that may come to him or his in the long years he hopes to live. We should say to him earnestly, "Jones, this contract is your very best provision for the vital needs that the blind future will bring upon your family or yourself, whether you live or die. It is your surest resource for emergency cash—better than a Government bond. Now, don't forget that the really big need comes suddenly, is apt to come at just the worst time, and when it comes it overshadows everything else. If you keep the insurance money untouched, if you keep it as the very last resort only to be used for an actual crisis, you can feel that you and yours are safe, whatever the future may bring." If Jones abuses the loan privilege after that kind of a talk, we agents are not to blame. In fact, I verily believe that this is our best way to forestall that abuse—far better than for us to pretend to ignore a plain policy right that he is sure to know about anyhow, and is so very likely to abuse if left to himself. Instead of ignoring it, let us emphasize its right uses, its vital importance for the big needs of life. Let us make the loan value our text for preaching the true gospel of thrift, of family protection through life as well as at death. That will be both attractive and helpful to Jones.

The Needs of the Estate.

The need for his estate should be urged—the need for spot cash to pay off a mortgage or other indebtedness; to help liquidate his estate for distribution, etc. We should cite to him local instances of estates that have been saved by the life insurance money and others that have been lost without it; and point out that a very few thousand dollars of spot cash will tide over the stress that would sacrifice tens of thousands of dollars of value that can be realized later on. If Jones is a rich man and thinks he will leave things in good shape without any need for insurance cash, we can tell him about the J. J. Astor estate. His executors filed their report some months ago showing that they had had to borrow \$1,688,000 in settling the estate. Here was one of the tightest, snugest estates, you would think, in the world; all in producing estate and gilt edge investments; and yet in its liquidation they had to borrow \$1,688,000 over and above the five or six millions of regular income. Lucky it was in 1912-13 instead of 1907-8! Most men don't realize what need will come when their executors have to settle up their affairs.

Its Relation to the Business.

Then the need for the business. Ask Jones what he would be doing now if his partner, Smith, had died last week. How about Smith's work; could he find someone ready and able to fill Smith's shoes, and how much would he cost? How about Smith's share in the business, and paying it out to his family? How about the banks and the creditors of the old firm? How about his own capital and credit for the future? We must make Jones see just what his situation would be to-day if Smith had really died last week—and then make Smith do the same thing. For the big corporation our problem is just the same—to bring home to each one concerned the actual need that will spring up at the death of this or that valuable man.

Then the need for the family. Tell him, "Jones, figure out how little a month your family can get along on without you. Then figure out the net estate you would leave if you died tonight. Figure 5 per cent. income on that and then divide by 12." Gentlemen, those three words "divide by 12" help

mightily. They make Jones reduce the income he expects to leave right down to the monthly basis, where it really measures up against the monthly bills and family wants. For the first time he realizes how little he has. He readily sees that a monthly income contract added to his estate will precisely fill the big, vital need that he never realized so clearly before.

If Jones has no estate to leave and little money for premiums, fix his mind on the years stretching from his death to his oldest child's first wages. That will be the yawning chasm for his family; those are the years that will either make or break the children's whole future, and the mother's heart. Tell him how small a monthly sum will eke out her efforts to bring them up herself—as proven in thousands of cases by the mothers' pension system in many States. New Jersey, for instance, provides \$9 a month for the mother with one child; our Allegheny County Board finds its average allowance has been \$18 a month for an average family of four. Suppose Jones has an only child of seven. Show him that a policy of only \$1,000 will yield \$10.50 a month (more than New Jersey would allow them) for the nine years of that yawning chasm until age 16, if Jones should die soon; while, if he lives longer, it will yield \$13.10 a month for seven years, \$17.90 for five years, etc.—enough to take care of another baby or two that might arrive meanwhile. To provide this service covering their years of greatest need he has only to save up about \$1.70 a month starting at age 30; or \$2.30 at 40; or \$3.40 at 50. Attractive to Jones? Why if we really get this into his head his heart will jump at it. He'd be ashamed not to do it!

Uncertainties of the Future.

Then, again, we must make Jones gaze into the long, unknown future and see his wife living through that future without him; the risks and uncertainties of her income from funds reinvested again and again; the overhanging perils of accident, sickness and operation; the helpless old age that stalks before her. Spread it all out before him. Don't just tell him that this is a \$25 monthly income policy. Tell him the company's check for \$25 will be coming to her the same day every month, and that this will give her (starting, say, at age 30) \$6,000 by the time she is 50; \$9,000 by 60; \$12,000 by 70; \$15,000 by 80; \$18,000 by 90. Draw those 60 years out before him so that he sees her living on through old age, and at the same time sees the life insurance check coming the same day every month. That is getting the need and service close home to Jones.

What About the Children?

"You're children, Jones, each of them, will at least need support and education until self-supporting. This monthly check will keep coming to the family for 20 years, whether their mother lives that long or not. That daughter of yours, Jones; she is handicapped by the fact that she is a girl in a world built for men. It will be harder for her to earn her own way, or even to handle what you leave her. At best she will be up against the marriage lottery; maybe with a shiftless husband to spend or lose her money; maybe left a widow with children to raise. An unlosable life income is needed to equalize her with her brother. Your boy, Jones; he will need a college education, or at least special schooling, for he is coming into a generation of trained men. He can't begin as you did; not with this kind of competition. Thousands and thousands, instead of tens, are being turned out as trained men for his generation, and you have got to provide the right college or schooling to give him as fair a chance as you had in your day. The company's check will go to him every September and March from age 16 to 22, if you say so; and if you want, we will add a fund payable to him at 25 or 30 as a business nest egg.

"And say, Jones; of course, you folks celebrate Christmas at your house; and birthdays, and the wedding day. That's the time they miss father the most, isn't it? If you were gone, the next best thing would be your gift coming for that day, year after year, as long as bride or baby lives. I tell you, Jones, with these modern, continuous services of life insurance you can right now make sure that your dear ones, one

or all, will have anything from a meal ticket to a stick of candy handed to them, with your love, at every way station of their long life journey, no matter how soon you may be put off the train yourself!"

We must bring home to Jones the many risks that are run with any other estate that he relies on to supply the family livelihood through that long uncertain future. The risk of unwise spending, we all know about that; the risk of bad advice and bad investments, and the risk of the best investments. Even Government bonds! The *Literary Digest* printed some months ago a list of a score or more of selected Government bonds (including foremost nations) that showed a shrinkage of 22 per cent. in market value from 1903 to 1913. If Jones had died in 1903 and his \$10,000 insurance proceeds had then been put in such bonds—the most stable security yielding between 3 and 3½ per cent.—his family's principal would have shrunk to \$7,800 as an available cash asset. Of course, the income of, say, \$325 would be still the same. But if the family still had their full \$10,000 in cash it would buy at these lower values enough of the very same bonds to yield an income of about \$425. These figures were for the normal times of 1913. Since then the European war has made that shrinkage simply a slaughter. British consols, best of the lot, were practically unsalable in August, and by October 5 had only come up to about 68—32 points below par. We ought to impress on Jones' mind the vast losses of principal and stopping of incomes through leading railroads like the New Haven or the Pennsylvania's Panhandle System; through such general destruction of property as in the Ohio floods of last year; through all the unescapable catastrophes that keep falling upon widows, girls and boys—yes, and brainy business men, too! And all this dark background will bring out in bold relief the bright, white light of a really unlosable monthly income to the very end of life, and a principal that is always cash at par.

Fitting the Policy.

Now, then, how about the services? The services that will fit Jones. In developing Jones' needs we have had to tell him the services and we have had to tell them to him in the way that counts most. Not parading before him some set group of figures and details of the policy, etc., but telling him what his needs are and how life insurance will meet them. That is making the proposition attractive, and we have come at it from the right angle. We have come at it from Jones' side, not from our own side, or the actuary's side. In other words, we have got Jones all ready for the dotted line, if we have been plain and simple, if we have made a vivid moving picture of his needs and their being filled by life insurance; if we have not confused him with policy and company details or competitive talk. But we can and should show him that the one policy can be applied to any one of the several named needs, to whichever one the future brings to pass; that what he is doing is entering upon a financial program for his own and his family's whole future; that nowhere else can he put a dollar that will be so sure to serve an absolutely vital need for him or his, just when the future makes that need vital. That is what we want to enlarge on and impress, and we want to suppress and keep down all side issues and needless details.

The Fourth Element.

And so we come to the fourth element, which is much less of a bugbear if arrived at in this way than it usually is: The policy—which one to choose, and how to make it attractive to Jones. If we talk to him about more than one kind of policy we have almost lost him. We have got the hardest kind of a job to help him make up his mind between two alternative propositions. We had better make the whole thing simple to Jones' mind in this way: "Tell him all about his needs and our service first in the figures and terms of ordinary life. Then we can add if desirable, 'You can get this service all paid for in so many years, if you want to, with a little larger deposit per year.' Or, 'You can get more of the old age element, or you can bring that element nearer in years, if you want to, with a larger deposit.' Not an alternative proposition; but the same proposition slightly modified to suit his pocket or purposes.

This policy decision ought to be made as simple for Jones as it is for him to decide whether to pay annually or quarterly. It ought not to be put up to him as a choice between this whole proposition on the one side, and that whole proposition on the other side. Any one policy (other than term) includes all these services. And it's the services that make the real proposition.

I believe in this use of ordinary life as a general rule because, first, it offers all these services in attractive, well-balanced proportion. That is to say, the same contract that will, if he dies, yield \$50 a month to Jones' wife for life, or to the children for 20 years, will if he lives, yield a like income for himself along about age 70, by taking the cash value and buying a life annuity. Or it can be any time changed if desired to a lump sum that is upon the same plane and proportion attractive to the same man. The emergency cash, or loan value, is also an attractive proposition of his total deposits.

The Ordinary Life Policy.

Then, too, the ordinary life rightfully includes the really attractive policy points, both of limited payment and endowment. There is no exclusive charm in exactly 20 or 15 years, or in exactly \$1,000 paid up or paid back. Those particular figures are chiefly ruts in our mind, worn there by the rate book. Down in Georgia three or four years ago a clever chap cut across the ruts by offering what he called a "combination policy"—a 20-year endowment for \$3,107, and a 20-payment life for \$5,490, and an ordinary life for \$10,000. Even he was still running in the 20-year rut. It would mean more to Jones for us to tell it in this way: "Of course, the big need is while the children are being raised, and the whole sum, \$10,000, or \$56.65 a month, is ready to serve that need. That will doubtless be done with in about 22 years, when you expect to see that baby boy graduate. Then you can stop deposits at 57 and keep your paid-up contract for \$5,900, or \$33.42 a month, which will mean more for Mrs. Jones, so much older and by herself, than the larger amount would have meant years before for her and the children. Or if you wish, you can keep on saving for your own old age and stop at 65 with \$5,047 cash, or a \$450 annuity; or stop at 70 with \$5,980, or a \$620 annuity, giving yourself about the same income as was first provided for the family had you died early."

The greatest attractiveness of the ordinary life plan lies in the simple fact that it gives the whole service desired for a smaller deposit, or it gives the service in larger amount for the same deposit. That is the big thing. It brings within the reach of Jones' pocketbook a large enough income, or lump sum, to meet his need and look attractive to him. The deposit he can afford will, at the younger ages, permit us to dangle before his eyes a service larger by 50 per cent. on this plan than on a 20-payment life. This larger service is not merely attractive; it is often decisive in making the proposition at all worth while to him.

The Larger Service.

Whether Jones gets the whole sum paid up after the family is dead is down to a half is distinctly secondary. Whether he gets the whole sum paid back before he really needs it, or gets it later, when half will give for him a loan as much income as he provided for the family, is distinctly tertiary, or less. These points are in excess of all needs; they are luxuries. We can, of course, play them up so that he will want them. But they can never have the same strong appeal, the same pull of desire and duty, as the proposition that serves his present family needs 40 or 50 per cent. better and serves his later needs quite well enough.

I believe it is both our duty and our interest to stand at all points for the larger service. The service that extends the usefulness of life insurance. We are here to bring that kind of service right home to the people, and we prosper as we faithfully do so.

Behind us is the wonderful science of life insurance, with its technical tables; the wonderful organism of the company, with its impersonal contracts—a vast machinery ready for the best service to mankind. Confronting us is the great,

universal human need; a crying need, yet uncertain and vague, not knowing just what it wants. There they stand, the need and the service—meant for each other—yet hopelessly apart, except as we agents bring that service to one individual after another and skilfully offer it so as to attract him. There's no wholesale way; each man must be attracted by himself.

Wherefore, brother agents, let us first learn to translate those chilly technicalities into warm blooded, everyday talk; to unravel those complex, impersonal contracts into their many single threads of service for the individual in this, that, or the other situation. Let us then every time study Jones and his particular situation, and learn to quickly ferret out his real needs better than he can himself. Then, and not until then, will he be really ready to adjust the services to fit his needs; ready to make the proposition plain, simple and personally attractive to him; ready to make him want it, and want it now.

This is our great function in the social order; it is why we exist. It is salesmanship that is in the highest degree creative and properly remunerative. It is professional service that is in the highest degree honorable to us and useful to mankind.

NOTE:—The figures given in this talk are based on 3½ per cent. reserves and non-participating premiums.

Estates.

When a man dies leaving property, it may be distributed either by will, if legally drawn and admitted to probate; or, where no will was left, in accordance with the laws applicable to the property in question. The laws of the various States governing descent and distribution of property differ materially. Each agent should inform himself on the laws on his own State for the reason that the proceeds of life insurance policies are liable at any time to become a part of the estate of a decedent and circumstances might thus defeat the wishes of the original insurer unless the contingency were guarded against. For example, a man whose family consists of his wife and his mother has, in addition to policies naming his wife as beneficiary, taken out a policy payable to his mother. The mother survives the insured but dies before the wife, leaving the insurance money as a part of her estate. If the mother leaves no will such personal property might go by law to the living brothers and sisters of the mother. These persons may be the last on earth the insured would wish to benefit from his insurance and especially so at his widow's expense. If, however, the mother's insurance were made payable in instalments, the wife could be made contingent beneficiary and thereby receive any instalments remaining unpaid at the death of the mother.

In the same way the mother should be made contingent beneficiary under the wife's insurance if it be desired to prevent the remainder from passing, in the absence of a will, to the wife's legal heirs. In some States these heirs would be the wife's parents, if living, or otherwise, her living brothers and sisters.

The variations in the law as between States, and the infinite variety of family relationships, make it impossible to even outline the contingencies of distribution and descent of such property. Only by familiarizing himself with the laws of his own State can the agent aid in preventing the distribution of insurance money to persons not intended to be beneficiaries.

The following news item illustrates how property left by will or public administration may not benefit those for whom it was intended:

Washington, Aug. 21.—The will of Justice Horace H. Lurton of the Supreme Court of the United States, absolutely void for want of attesting witnesses, was filed for probate here to-day. Being written entirely in the late justice's handwriting it would be effective in some States, but not in the District of Columbia. The law here requires at least two witnesses to sign the instrument.

The "will" is dated Nashville, Tenn., the former home of the testator, June 5, 1898, and leaves the estate to Mrs. Lurton.—*Field Notes* of the Northwestern Mutual.

INAUGURAL ADDRESS OF NATIONAL PRESIDENT HUGH M. WILLET.

Outlines Policy of Administration During the Year, Giving Special Consideration to the Taxation Matter and to the Propaganda of the Committee on Education and Conservation.

It scarcely seems to me that a year has passed since I was the guest of the Pittsburgh association as an officer of the National Association. I am to-day under renewed obligations to you for your delightful entertainment of this evening. The past year has been one of intense activity in the National body, and I will briefly allude to some of the things accomplished.

Undoubtedly the Education and Conservation Movement has been the most important undertaking of the last administration. This movement first took definite shape at the Memphis convention in 1912, when a resolution was adopted calling for the appointment of a committee of five, with power to act on any plan approved by the executive council. This committee, of which Warren M. Horner is the inspiration and chairman, has been hard at work on the problem for two years, and reports of its operations were made to the Atlantic City and Cincinnati conventions and approved. The movement has now reached a point in its development where it may be necessary to employ the full time of a trained expert, under proper direction, to carry it forward to completion. It is the aim and purpose of the present administration to co-operate heartily with this committee in working out some plan that will accomplish the most practical results with the least possible delay.

The Matter of Taxation.

Another great movement during the past year has been directed toward securing lower and more uniform taxes. This committee has at its head a man of great intellectual force and indomitable energy, Edward A. Woods; and the results already accomplished fully justify its existence. It is generally admitted that the work of this committee, reinforced by the moral power of the National Association, was largely instrumental in securing the important modifications in the income tax feature of the tariff bill. The present administration is in hearty accord with the efforts of the Taxation Committee to lighten the heavy burdens imposed on policyholders by the State and Federal governments. We shall also strive to impress upon local associations the importance of keeping close watch on legislation, to prevent the enactment of harmful measures.

Education and Conservation.

These great movements of Education, Conservation and Taxation will undoubtedly receive a large share of attention this year. The groundwork already prepared is magnificent, and the same capable hands that laid the foundation are ready to carry on the work to completion.

One purpose will be to select, educate and develop as agents men of character and influence, whose efforts will be directed along right lines and who will be Conservers as well as producers of insurance. Such agents will help to convince the public that life insurance is an institution for service and an important part of the great forward movement now going on in the world. Such agents will also assist in checking the tendency observable in some directions toward State systems of insurance. The text-book now in course of preparation will, when completed, be of incalculable value to managers and general agents, both in the field and in schools and colleges.

Another purpose will be to bring policyholders into closer touch with the affairs of the companies in which they are insured. When these millions of policyholders are made to realize how much taxation increases the cost of their insurance or reduces the amount of the protection that the premiums should purchase, they will certainly exert their influence to secure an equitable system of life insurance taxation.

The influence of the National Association can be greatly enlarged by bringing into the organization a larger membership and instilling in them the high principles which char-

acterize the association movement. By forming new associations in many localities not now organized and by taking in non-resident members, it should be possible this year to extend our membership to beyond the 6,000 mark.

The constantly increasing burden of correspondence attaching to the presidency will make it impossible for me to travel as much this year as I should like in visiting associations. I will, however, make such trips as my time and strength will permit, giving special attention to the South and Southwest where the association movement is not so strong as in other sections. I hope in this way to organize a number of new associations in cities not now represented, and to strengthen a large number of those already organized.

The National Association is justly entitled to credit for all the reforms accomplished in field methods during the past quarter of a century. Those of you who are conversant with the conditions that prevailed 25 years ago will appreciate what that statement means. The work in which the association is now engaged will still further improve those conditions, thus making it possible for agents to write a larger volume of business each year and on such plans and with such understanding as will insure permanency.

The Cincinnati Convention.

The recent convention at Cincinnati was a splendid testimonial to the estimation in which the life underwriters' movement is held. There was no difficulty in securing for the program the strongest and best-equipped men in the country to discuss the topics assigned to them. Without detracting from any former convention—and many notable ones have been held—I think it is generally agreed that the last one in several important respects surpassed all others. The program was carefully arranged; the addresses and discussions were intensely practical, and showed much thought and thorough preparation. A number of important resolutions were passed, to some of which I will briefly allude.

One of these requested the co-operation of life insurance companies and insurance commissioners in the various States in eliminating from the business, for the protection and welfare of the public, irresponsible and unworthy agents. Another resolution endorsed the movement now making for the creation of a national department of health, with a member of the President's Cabinet at its head, and urged all members of life underwriters' associations to support this and all practical efforts having for their object the conservation of human life.

In view of the present inclination among legislators in some States toward enacting laws leading to the establishment of State insurance, a resolution was passed urging the program committee to set aside sufficient time during the next convention for the consideration of the subject. It also urged that various associations should discuss the subject with those interested in public matters, as well as legislators, with a view of reporting to the next national convention their findings and recommendations.

Amendments to the Constitution.

Two amendments to the constitution were adopted. One of these changed Section 1, Article 3, on the executive council by substituting the word "treasurer" for "secretary." The other changed Section 2, Article 3, on membership, defining "regular legal reserve company." The purpose of this amendment was simply to correct an obscure phrase in the constitution, was not aimed at any lawful valuation method and extended a warm welcome to young companies properly conducted. The amendment was preceded by the following explanation: "When the National Association of Life Underwriters, at its Toronto convention in 1907, for the first time declared a standard of membership and made it such as to exclude the representatives of companies whose unsound and vicious practices are hurtful alike to the business and the public, it declared at the same time its welcome for the representatives of all sound and regular companies, old and new, large and small, wherever located. This convention reaffirms that welcome, and suggests that all local associations will fit

it desirable, as so many have, to increase their membership among the agents of the sound young companies that measure up to the requirements of the national convention as now amended."

And now, in bringing my remarks to a close, I wish to ask your hearty co-operation, and that of every local association, with the officers, the executive council and all of the committees, for it is only through such co-operation that they can hope to succeed in the important work you have entrusted to their care.

Value of Memory.

The ability to call a man by name on short acquaintance puts one on a footing of confidence and adds to the respect in which the man named holds him. To remember a man by name establishes mutual confidence. To remember a face, to say, "Your face is familiar, but I can't call your name," establishes embarrassment, and it may establish more than that if the person whose name you cannot call thinks that you ought to know his name and attributes your lack to carelessness or indifference.

As someone aptly puts it, "To know a man on second meeting and to be able to greet him by name is advanced acquaintanceship."

In selling insurance, in building a business that has to do with men to-day, next week, next month; men here and there; men met to-day, met again in a month; can you think of a greater asset than the ability to remember names or a more profitable side line of personal development?—"Abie" Magacine.

Knowledge Is Power.

Knowledge is said to be power. But what is knowledge? How many are there who can answer that question? There is an impression that knowledge and learning are synonymous. Far from it. There are any number of people who are plentifully supplied with knowledge, but who are deficient in learning.

They are incapable of intelligent thinking!

In many cases knowledge consists of a miscellaneous assortment of undigested facts; the mind is a lumber room of useless odds and ends, none of which is of practical use, any more than is a voluble tongue an evidence of superior intellect.

The true purpose of education is to create a thirst for the truth; and this can only be attained by making it possible for men to think.

Likewise, no man can be said to have acquired intellectual perfection until he can think with clearness and accuracy. Hence it is that in the struggle for mastery the individual who reaches correct and exact conclusions is the one who in time succeeds to leadership. For, say what we may, it is intelligence that wins out in the end. The charlatan and smatterer may have a temporary triumph, but not being founded upon merit, his career is doomed to end in ridicule and disaster. So, it may be repeated, no man was ever permanently and completely successful whose mind had not been trained to think logically.

Which justifies the inquiry, what business offers more opportunity for serious thinking than life insurance? And if to think, and think seriously, is to succeed in life's battle, is not the large proportion of success on the side of the life insurance man?

Comes, also the additional thought that the greatest of all human success is that which arrives as a reward for having loyally performed a duty, a duty to humanity. And secondary to no duty to humanity is the writing of an insurance policy. It is only a well-ordered mind that is capable of seeing and performing a duty like that. Therefore, how imperative is it that all men should be properly educated, that they may be thinkers, not automatons.—"H. J.," in *Prudential Record*.

ANOTHER TAXATION VICTORY PROBABLE.

Vice-President Edward A. Woods Takes Stamp Tax Matter Up with Local Associations with Splendid Results.

From present indications it is quite probable that before the News reaches its readers the life insurance fraternity will have won a partial, if not a complete, victory in another attempt to impose an additional tax burden upon policyholders which would have aggregated at least \$2,000,000 annually, in addition to the \$12,000,000 or \$13,000,000 now overburdening them.

This much can be said: Forty-eight hours after life insurance men from both Home Offices and Field got to work the Senate Committee removed life insurance from the proposed stamp tax which was placed upon it temporarily during the Spanish War.

It will be recalled that at the Cincinnati Convention a vigorous protest was sent to Chairman Underwood, of the House, and also to the President. Nothing, however, developed until Oct. 1, when it was learned that there was a possibility of life insurance being eliminated.

National Vice-President Edward A. Woods, who is chairman of the Taxation Committee, sent a telegram to the president of every local association in the country, asking each association to strenuously protest to their Senators against the proposed additional imposition. The response was most gratifying and immediate. A large number of telegrams were sent from various associations, and a list of these will be compiled and published in the next number of the News.

"There is many a slip 'twixt the cup and the lip," but from the facts as they now stand it may be possible in the next number of the News to give credit to the men who have been instrumental in stemming the tide.

Getting Started.

If, when you do not feel like working, you would push yourself straight to a prospect and begin talking to him, it would surprise you how quickly your mood would change and how soon you would become all eagerness to land him. You are in a business that calls for rising above your feelings, pushing yourself to do your work, if you would make the biggest possible success.

Getting started to do a thing is the bane of too many efficient lifemen—efficient when they get under way. An evil spell seems to envelop the thing of getting started. Most of us find that we have to fight it several times a day, some days. Not one of us but what recalls that when he got started he went ahead and did the work. You need not be told that the man who worked only when he feels like it never gets into a hundred thousand dollar club.

The only way to beat the evil getting-started spell is to keep going all day long—give it no chance to settle upon us or grasp us with its demoralizing clutch. The way in which that evil spell will every time rush a lot of little excuses into our brains for not starting is fairly wonderful. And they are such plausible, lulling, little excuses. They will down a man clear to the gutter if he entertains them. There's not a lifeman on our staff that hasn't bucked the getting-started evil, and who has not at some time allowed it to embrace him. Keeping good at the work every minute of the day is the only thing that will defeat it.—*The International Lifeman*.

Quite a Difference.

There is a vast difference between representing yourself as an insurance agent and being one.

A representative may be a very handsome figure-head, but it is the real agent, the active-on-the-job-get-there agent that helps build up his company, and incidentally builds himself up. —*Preferred Pilot*.

Robert J. Merrill, Insurance Commissioner of New Hampshire, Declares There Is No Justification for the Taxation of Insurance Premiums.

A remarkably strong indorsement of the National Association's campaign for the reduction of life insurance taxation is found in the annual report of Hon. Robert J. Merrill, insurance commissioner of New Hampshire. It is this:

This department has turned into the State treasury during this fiscal year upwards of one hundred thousand dollars. The Legislature appropriated for its maintenance \$6,800, a clear profit of more than \$94,000. This statement is not made for the purpose of asking that any particular credit be given on account of this showing. The revenue was collected because the law provided it should be. There is no reason why the State should exact these large sums each year, exacted not from the insurance companies, but really from the citizens of our own State who are thrifty enough to insure their future independence in some degree. But there seems to be little reason for expecting any change in this particular as long as taxation continues to be based upon the idea of securing as much as possible from convenient and defenseless reservoirs of funds, the tapping of which does not apparently interest the man with the vote. Theoretically, there is no justification for the taxation of insurance premiums. Practically, the present methods will continue until the public can be made to understand that it pays the tax.

Entirely aside from taxes paid by insurance companies, they contribute between twelve and thirteen thousand dollars to the general revenue of the State in the shape of the excess of fees collected over the expenses of the department. For this there is absolutely no justification. From this excess there should be appropriated a sufficient amount so that the department may be able to render its proper service to the State, the insured and the insurance companies. With its best endeavors it must be admitted that such service is not now being rendered.

Board Contracts and Sale of Stock.

The Association of Life Insurance Presidents has issued a revised edition of its pamphlet giving a synopsis of State statutes and departmental rulings relative to board contracts and the sale of stock in connection with life insurance. The pamphlet also includes some court decisions on these subjects.

The pamphlet shows that the States deal as follows with respect to board contracts:

Expressly forbidden by statute in.....	29 States
Forbidden by insurance department ruling in.....	8 "
Forbidden by department ruling unless offered to all policyholders alike	1 State
Declared by Supreme Court to be illegal under anti-discrimination statute in	1 State
No law or ruling on the subject.....	10 States
Concerning the sale of stock in connection with life insurance, the States are grouped in the following classifications:	
Expressly forbidden by statute in.....	32 States
Forbidden by insurance department rulings in.....	4 "
Forbidden by department ruling unless offered to all policyholders alike	1 State
Declared to be illegal by attorney-general's opinion unless option on stock is contained in policy..	1 State
No law, ruling or opinion.....	9 States

PERSONAL.

Will the good-looking young man, with the little black mustache, who, at the banquet of the Twenty-fifth National Convention, secured possession of the cartoons, communicate with E. M. E., Room 502, 56 Pine street, New York City?

To the Point.

Cultivate an ability to talk easily and well, but do not allow yourself to degenerate into what is called a "smooth talker."

The unctuous flow of well turned flowery sentences is apt to breed suspicion in the mind of the listener.

The man who talks easily and well is a man of staccato utterances—not abruptly chopped off, but brief, to the point, and easily understood.

In these days men do not care to mentally fish in a continuous flow of words—no matter how smooth the flow—to catch their purport.

Brief, pleasing utterances of facts by a man who maintains his poise and ease of manner, arrests attention and arouses an inquiring interest in the person addressed.—*The Pilot.*

Satisfied Customers.

Some insurance agents, thoughtlessly or indifferently, follow the idea that to sell a policy is everything. It is the smallest part in the work of a really successful insurance salesman. A satisfied customer is always the profitable customer. He is seconding the efforts of the man who has secured his confidence; he is assisting him quietly and effectively time upon time; he is a partner in the business of reaching others. The agent who has first satisfied his prospect of the value of insurance, of the value of the policy he is writing, of the worth it will be to him to buy it and maintain it, and then makes the sale, has added, through the satisfied purchaser, something of as much value to him as his commission on the sale.—*The Bankers' Life Bulletin.*

"THE TAXATION OF LIFE INSURANCE POLICY-HOLDERS."

A Booklet of Twenty-four Pages Dealing with America's Great Burden on Thrift and Providence.

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Vice-President The National Association of Life Underwriters.

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Address orders to EVERETT M. ENSIGN,
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56 Pine Street - - - New York City

Official Announcement

Atlanta, Ga., Oct. 16, 1914.

The next convention of The National Association of Life Underwriters will be held in the City of San Francisco on August 10-11-12th, 1915. Preparations are being made for a most instructive program, and there should be the largest attendance in the history of the Association. In order to distribute the expense of the trip over several months, and to encourage a good representation, I recommend and urge that each local Association organize at once a "SAN FRANCISCO CONVENTION CLUB," as similar arrangements have proved helpful in the past. I suggest the following form of agreement to be adopted by each Association, such changes being made as local conditions make desirable:

Believing that one of the greatest benefits which may come to any member of TheUnderwriters' Association is that of attending the Conventions of the National Body, of which we are a part, and in order to make it possible and easy for a large number of our members to attend the San Francisco Convention, to be held on August 10-11-12th, 1915, we, the undersigned, hereby constitute ourselves the..... SAN FRANCISCO CONVENTION CLUB, and agree as follows:

First—That we will each deposit with the Treasurer of our Association, on the first day of each month, beginning November 1, 1914, and ending August 1, 1915, \$....., which funds shall be deposited in a bank at interest.

Second—It is understood and agreed that should any signer hereto leave the Life Insurance profession, remove from the jurisdiction of the.....Life Underwriters' Association, or die, all of the money deposited by him shall be returned. (A) Should any signer hereto be unable to attend the Convention because of sickness, 75 per cent. of the money deposited by him shall be refunded. (B) Should any signer hereto fail to attend the Convention for any reason not specified above, then only 50 per cent. of the money deposited by him shall be refunded.

It is further understood that just prior to the Convention the funds accumulated from deposits and forfeitures shall be divided equally between such signers as actually attend the Convention.

Dated..... Name..... Address.....

The Chairman of the Convention Club Committee will be pleased to furnish any further information desired. For Associations east of the Rocky Mountains, the deposits should be about \$25.00 per month, as this would give a sum for each individual sufficient to care for transportation and hotel expenses.

HUGH M. WILLET,
President.

HERBERT R. LEWIS, Chairman,
Convention Club Committee,
Rochester, New York.

Life Association News

A MONTHLY JOURNAL DEVOTED TO THE INTERESTS OF ALL
LIFE INSURANCE AGENTS.

PUBLISHED BY THE
NATIONAL ASSOCIATION OF LIFE UNDERWRITERS

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Atlanta, Ga.
- EDWARD A. WOODS, Vice-President,
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306 Penobscot Building,
Detroit, Mich.
- LEE C. ROBENS, Chairman Executive Committee,
Phoenix Bank Building,
Hartford, Conn.

ARTICLE II OF THE CONSTITUTION.

"The object of this association shall be to advance the best interests of the cause of true life insurance."

Address all communications to

EVERETT M. ENSIGN, Editor and Manager.

Telephone, 4244 John.

LIFE ASSOCIATION NEWS, 56 Pine Street, New York City.

This newspaper is owned by the National Association of Life Underwriters, unincorporated, a voluntary association; Hugh M. Willet, president, Fourth Nat. Bank Bldg., Atlanta, Ga.; J. Henry Johnson, secretary, Lee Bldg., Oklahoma City, Okla.; H. Wibirt Spence, treasurer, 306 Penobscot Bldg., Detroit, Mich.

SUBSCRIPTION PRICE \$1.00 A YEAR IN ADVANCE.

The Reason for Institutional Advertising.

According to a "survey" made by Winslow Russell in Syracuse, the average Life Insurance solicitor is not even welcome in the office of 30 per cent. of the business and professional men of that city. On an average the men, women and children of America are indemnified by Life Insurance against all future contingencies to the extent of only \$200 per capita. Statistics prove that last year only one out of about 15 eligible prospects was insured. There are approximately 3,000,000 widows in this country to-day and nearly half that number are compelled to earn their own living.

This being the case a remedy for such conditions should be found, and, when once found, speedily applied.

The Committee on Education and Conservation has given this matter several years of exhaustive study and among other things has advocated as a solution to the problem a campaign of Institutional Advertising. Why? The answer is found in the Convention address of Warren M. Horner, chairman of the committee. "We have held," said he, "to the Institutional Advertisement because we are dealing with the immediate public and recognize that printer's ink in the daily press and standard publications, used all the time, is the way to inform our present clients who mould the sentiment of that younger generation and in a large measure direct their activities."

There seems to be no doubt as to the value of courses on Life Insurance in high schools, colleges and other institutions of learning. All life underwriters interested believe that the text book now being prepared by Dr. S. S. Huebner will accomplish wonderful results, but unfortunately perhaps, there exists in some quarters a misunderstanding as to the common sense principles underlying the idea of Institutional Advertising.

Can it be said that Mr. Horner and his associates on the committee have become swamped in the meshes of their arguments? Such an assertion would be preposterous, for the proposed campaign of Institutional Advertising has been explained in all sections of the country by the several members of the committee; LIFE ASSOCIATION NEWS has given the matter page after page, both in the form of news stories and in editorial comment, and every insurance journal published in the United States has taken occasion to refer to the plans of the committee. Even with all this publicity there is in a few associations an apathy which can only be explained by the charitable supposition that LIFE ASSOCIATION NEWS is never read and that the members of such associations subscribe to no other insurance journals. Therefore, let us dig down to the roots of the proposition. This was elucidated by Mr. Horner at Cincinnati as follows:

WAR ABROAD—PEACE AT HOME

Let us, as life insurance men, be thankful that the flag which floats over us is at peace with the world—that the United States of America is, indeed, the "land of Opportunity." Let us, as Insurance men, be thankful that ours is a calling which can prosper in War Times and Hard Times as well as in Peace Times and Good Times, that ours is a commodity which the world needs at all times, and it is up to us agents to make good in our individual work.

Opportunities to make good may be had in the Pacific Northwest with **THE PACIFIC MUTUAL LIFE INSURANCE COMPANY.** For further information address

H. H. WARD, Manager Pacific Northwest

**Hoge Building, Seattle, Wash.
Title & Trust Bldg., Portland, Ore.**

Probably there are only two human agencies that can be compared, outside of religion and education, in the same firmament with the business of Life Insurance, and those are the news mediums of the country and the railroads. And I put the press above the railroads because the railroads only bring men and their products together in a physical sense, whereas the press brings them together in an educative way, and has to do with the mind, that eternal structure of God's greatest handiwork.

Furthermore, our American press has ever shown a readiness to serve the people in an intelligent, conscientious manner. You must remember, however, that by the same token that we believe in Life Insurance and that our business is garnering premiums and that by our efforts in this direction do we gain our daily bread, so must you remember that newspapers and periodicals are imbued with the efficiency of what they are doing, that they believe in both the commercial and educative value of advertising, and that they exist by money paid over the cash counter therefor.

If those in control of news mediums, publishers and editorial writers, do not thoroughly understand or believe in what we are doing, and we, in turn, exhibit a skepticism with regard to their work, we have presented an unnatural and an impractical situation and one that needs to be corrected. You will not correct it simply by striving for publicity a la press agent fashion. You will correct it by well-ordered publicity of the legitimate kind, backed by dealing over the cash counter—also of the legitimate kind—meaning advertising institutionally and partisanly, educatively and constructively; and you will get ten dollars for every one you spend, because the newspapers do not have to be bought, and I am one of those who believe they cannot be bought.

It is just an intelligent, commonsense, ordinary, every-day, business, practical spirit of understanding and co-operation—key of our position and we of theirs—and then you will let loose the floodgates of publicity of the real kind, the kind that will educate and endure; and that is the service that the people, the ones who pay the premiums, are entitled to receive.

An intelligent, commonsense, ordinary, every-day business, practical spirit of understanding and co-operation. Yes, most emphatically. And let it be said that paid-for reading matter—Institutional Advertising—is, all things considered, the only way to put before the reading public of the country "Human Interest" stories relative to Life Insurance.

It is true that the newspapers will publish stories of the meetings of local associations. However, the extent and prominence of such stories will depend, to a large extent, upon the prominence of the men who deliver addresses at these meetings.

All newspapers and periodicals are published for the purpose of making money; money is made

through advertising, not through subscriptions; to secure advertising there must be circulation; circulation depends upon news matter of interest. Moreover, news that is interesting to the largest number of readers is that which contains the elements of novelty.

Life Insurance is the very essence of Human Interest; it touches the home and heart always and everywhere. It is the one magnificent institution of American enterprise—positive, unfailing, permanent. Indeed, in our economic life, so far as its potentialities are concerned, with no thought of irreverence, we can apply to it the great trilogy—omniscient, omnipresent, omnipotent. It is because of its unfailing beneficence that it does not possess the novelty which gives it value from a journalistic standpoint. While Life Insurance keeps thousands of widows from the poorhouse, the public is more interested in reading of the mismanagement of the County Alms House. The Pennsylvania Railroad carried 111,000,000 passengers last year without a single death. This item occupied but a paragraph in the papers, simply because it was nothing out of the ordinary; in fact, such a record was to be expected. It is the unexpected that we see in the newspapers, and one prominent man killed on the Pennsylvania Railroad is worth more as a news story than 111,000,000 carried safely.

There is nothing unexpected in Life Insurance, for it insures the unexpected. It lives up to all promises and pays all claims promptly and quietly. It is only when it fails to perform the service which it agrees to give that, in the eyes of the journalist, it becomes news of interest. Think of the Armstrong upheaval. Then again, at the time when it performs its greatest service, its recipient is mercifully sheltered from the eyes of the world. From the very nature of its most important transaction there is nothing ostentatious nor calculated to arouse the interest of the public. Were the transaction irregular, odd, unusual or peculiar, the case would be different.

Several of the local associations have contracted for space in the newspapers of their respective cities, and the transactions have been conducted over the cash counter. Such local bodies, by so doing, have

been able to put before the public reading matter which never would have been published in any other way. This will undoubtedly do much good, but in a sense it detracts from the main idea of Institutional Advertising. Why attempt to instruct those who only desire to be amused? Great as is the influence of the press, the daily paper is bought for a cent and read for a minute. For educative purposes there is nothing to equal that class of periodicals which reach the home and are digested at leisure. In those magazines the force of an argument or a series of arguments cannot be vitiated by the perplexing problems of a business day.

A Human Interest story may be absolutely devoid of news value, yet it may be interesting and produce a profound impression. Its production requires art and no little literary ability. For the purpose which we have in mind the work of an amateur would be but a mawkish perversion of a noble theme. Therefore the necessity of finding the man with the art to attractively present the subject. This problem has apparently been solved by the committee. It should also be said that in the selection of an advertising medium which reaches the home the decision is a wise one. If in the business judgment of managing editors and city editors it would be poor policy to publish gratuitously that which does not appeal to them as being of news value, it most certainly behooves us to pay for the service desired.

The National Association will then be in a position to tell the people of America just exactly what it pleases, as frequently and as widely as the funds at its disposal will permit. It is a service we cannot expect for nothing, and when once begun should be continued, for, as we have said before, Life Insurance has nothing to conceal and as an institution needs no apologist; its future success, as well as the future success of its representatives, depends upon the simple proposition of telling ALL to ALL the people ALWAYS and ALL the time.

LIFE INSURANCE COURSE.

UNIVERSITY OF PITTSBURGH
EVENING SCHOOL OF ECONOMICS, ACCOUNTS AND
FINANCE.

First Semester, 1914-15.

Class Instruction and Assigned Readings (\$10 for Course), under Prof. Ira G. Flocken, A.M.

Free Public Lectures, by Charles W. Scovel, A.M.,
under auspices of

Pittsburgh Life Underwriters' Association.

Mondays, 7:45 P. M.,
Thaw Hall.

Oct. 5—Public Lecture.

For Class Study—
Yale Readings in
Insurance.

Chapters III, V, VI.

History and Growth of Life Insurance.
What It Is, and Whose.
Its Stability and Permanence.

Oct. 12—Class Instruction.
Theory of Life Insurance.
Interest.
Probability.
Mortality.

Chap. I, II, IV, VII.

Oct. 19—Public Lecture.
Services to the Community.
Economic.
Social.
State Operation, Regulation and
Taxation.

Chap. XXII, XXIII,
XXIV, XXV.

Oct. 26—Class Instruction.
Ordinary Life and Limited Payment
Life Premiums.
Net Single Premium.
Net Annual Premium.
Gross Premium.

Chap. XI.

Nov. 2—Public Lecture.
Organization and Administration.
The Company and Its Departments.
Investments.
Industrial, Sub-Standard.

Chap. IX, X.

Nov. 9—Class Instruction.
Term and Endowment Premiums.
Net Single Premium.
Net Annual Premium.
Gross Premium.

Chap. XII, XVIII.

Nov. 16—Public Lecture.
The Policy Contract.
Common Clauses.
Special Provisions.
Kinds, and Their Uses.

Chap. XV, XVI.

Nov. 23—Class Instruction.
The Insurance Reserve.
Cost of Insurance.
Determining the Amount of the Reserve.
Effect of Reserve Upon Company's
Financial Condition.

Chap. XIII, XIV.

Nov. 30—Public Lecture.
Services for the Family, or the Estate.
Lump Sum at Death.
Income for Years, or Single Life.
Income for Successive Lives, with
Principal.

Chap. XXVI.

Dec. 7—Class Instruction.
Policy Values.
During Life—cash surrender, loan,
paid up and extended insurance.
At Death—lump sum, limited pay-
ments, life payments.

Chap. XVII.

Dec. 14—Public Lecture.
Services for Old Age; for the Business.
Old Age Income and Endowments.
Business Insurance:
Individual, Group.

Chap. XXI.

Jan. 4—Class Instruction.
Mortality Tables.
Early Tables.
Present Tables.
Methods of Construction.

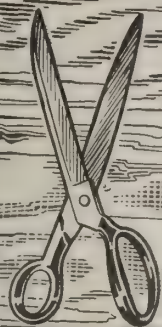
Chap. VIII.

Jan. 11—Public Lecture.
The Life Insurance Agent.
His Service and Value.
His Education and Training.
His Field and Future.

Chap. XIX.

Jan. 18—Class Instruction.
The Surplus of Mutual Companies.
Determining the Company's Surplus.
Apportioning the Surplus among
Policyholders.

Chap. XX.



SIGNE OF YE SHEARS YE EDITOR'S SPYE-GLASS



The Convention in Retrospect.

Comments in the various insurance journals with regard to the Cincinnati Convention are of more than ordinary interest. While there is a general unanimity of opinion as to the salient features of the meeting, there are several instances where the National Association has been rather severely criticized as to action taken in important matters.

On general principles alone it is safe to assume that the results of the deliberations of the Convention were not arrived at with such undue haste as to suggest mere expediency; nor were they the outcome of spontaneous convention enthusiasm, which is often inimical to a thorough consideration of all phases of the subjects involved. Many if not all, important actions taken were first discussed by the Executive Council, after which they were taken up by the Executive Committee, which, in turn, reported to the Convention. This procedure effectively precludes the possibility of the adoption of a resolution based on insecure premises.

But let us in an impartial manner consider both the bitter and the sweet; or rather, the bitter and then the sweet. Be known then that the National Association at its Cincinnati convention made the greatest blunder in its career. It must be so because the "Insurance Report" says it is so. To quote:

The National Association of Life Underwriters, at its recent Cincinnati convention, unanimously voted that hereafter no official recognition should be accorded a "rival" or second organization of life men in any city or territory where an association previously accredited to the National body already exists.

In doing this the organization made the greatest blunder of its career.

This action was by resolution, not by amendment to the by-laws or governing rules. Thus the way lies open for correcting the unfortunate mistake, which we predict will speedily be done as soon as the delegates—who voted without evidencing a real appreciation of the matter and with no discussion of the proposition in open meeting—realize the absurdity, the injustice of the effect of their action.

The existence of a second organization of life underwriters in any city or State can no more be considered a RIVAL of the first organization than could a second or third or fifth lodge of the Masonic order be considered a rival of any one of the others. The proposition is absurd and the National Association has belittled the dignity of its purposes and made itself ridiculous in the eyes of all true life insurance men by subscribing to the sentiment that it does not desire to have as members any fellow life insurance workmen except those who happen to be affiliated with an organization that previously received its official recognition.

What objection could there possibly be to two or three or seven or eleven associations in any State, if they were made up of earnest, enthusiastic life insurance men, all subscribing to and furthering the principles of organization for the uplift of the life insurance business?

We do not believe the National Association will long remain pledged to so un-American, so unethical, so ridic-

ulous a principle, violative of the very fundamentals of co-operative work in the uplift of the business for which its organization was established.

Now enters John R. McFee, of the Chicago association. Mr. McFee was awarded the Caley Cup in the Prize Essay Contest at the convention, and he is a man of many ideas. His impressions are given in a recent number of "The Western Underwriter." We are convinced that a very considerable number of life underwriters will not agree with Mr. McFee, as to his remarks on the respective values of formal addresses, official reports and five-minute talks; and to his statements with regard to the report of Warren M. Horner, chairman of the Committee on Education and Conservation. Excerpts from Mr. McFee's article follow:

The convention should be known as the "Educative Convention." The passion of recent years for telling the world about our unique sociological device for the amelioration of humanity through a money value affixed to a mortality experience found scientific grasp and masterly demonstration. In the needs of life insurance salesmen the highest value is in the phases of the business which aim to increase the salesmanship efficacy of the application-getter. How to become better producers is the natural desire of the agent. But not a man at this convention who did not surrender this primary desire of us all, to the service-giving and service-needing aspects of the institution. Not a mention of how to grab and keep commissions did I hear.

The significance of this may be apparent as we realize that decrease of taxation, amelioration of public health, even widespread education of the masses of the people, all of it, is but indirectly and without varying effect affixed to the writing of an application. There is no question but that the agent has now a practically perfect policy to sell and a practically minimum premium to offer. But the convention showed a determination to oppose governmental tendencies to depreciate the values of policies already existing, on which commissions have already been paid. So, I concluded, that the life insurance agent again at Cincinnati has demonstrated that he is an ambassador of happiness, a progenitor of social security, not a man on the make, an ameliorator, not an exploiter.

I believe that the address of Dr. Huebner was the great achievement of the convention. It was valuable in the forecast, almost a syllabus, of the textbook to be written or compiled. Dr. Huebner stated with elucidation that there is a vast difference between teaching the public, between informing the prospect, and in teaching the agent. He recognized that the life insurance agent, under the present aspects of the business towards the public, and vice versa, is an essential educator, the necessary teacher of insurance truth, and, as such teacher, he needs technical training and scientific grasp, a really professional knowledge and power. Whilst he saw no need of the agent's becoming an actuary, he declared, in effect, that he should aim to know all but the mathematics of the contract, and the basis even of the computations. It may not be necessary to be able to figure dividend schedules, but the basis

of the premium, the meaning of the reserve, and the function of the surplus should be known. * * * So from Dr. Huebner's masterly presentation of the scope of life insurance education in its double aspect towards the public and the agent, came authoritative expression of the crucial need of the agent.

The convention, to my mind, demonstrated some practical effects of convention methods. It showed the respective values of the set address, the elaborate report and the open discussion. Judging from the effect upon the convention of each of these features of the routine order, I concluded that the set address works the most good in the presentation of a topic needing fresh definition and generalization. The highest value in all presentation is not in enumeration of concrete instances but in an induction of principles, in the creation of a general premise from a mass of particular instances. This is the scientific method of discovering truth. The individual instance, though useless to create a doctrine, has double value as an illustration of an ascertained doctrine.

So where a discussion of a great question, to which no man excepts, is desired, a full set-address like Dr. Huebner's, Senator Sherman's and Mr. Rittenhouse's is the supreme need. To follow up such an address when illuminative and exhaustive, is to inflict needless panegyric or impose weakening digression. The master presentation cannot but be weakened by feeble recitals in five-minute talks abounding more in narratives of individual unique achievements than in illuminative extension of the master treatise. Unique achievements seldom have any value as data for scientific generalizations. It is interesting, of course, to hear how \$50,000 was written here and unusual resistance overcome by sharp wit there, but the work of our great conventions is not so much to entertain any more than to amuse, but to instruct. Gaining by instruction is a student work always.

So I think the elimination of five-minute discussions of great presentations advisable. By the same token, great subjects are best presented in exhaustive single addresses.

The contrary is true, however, when action from the convention is desired. Our conventions are deliberative as well as legislative bodies and in their deliberative phases they are recipient as well as expressive. Whenever the legislative function is to be employed, debate is as essential as it should be ever free. So subjects like the adoption of an advertising campaign, involving a consideration of diversified view points, is a subject for full, free, fair, open discussion, that exaggeration may be plucked from concealment and truth garbed in its royal simplicity. It may have been noticed that a great subject like corporation and partnership insurance dwindled into an array of industrial achievements, advanced as results rather than methods.

What the convention hungers for is methods how to achieve in the labor over the work-a-day problems of the rate-book man. So, I think, the set address the best for teaching principles, the open discussion the price of just enactment and the combination of the two of doubtful wisdom.

I concluded, too, that elaborate reports should be epitomized rather than read in full. Mr. Woods seemed to realize this in epitomizing his great report on taxation. It made the subsequent receipt of the full, printed report a joy rather than a tedium. Even courts of appeal will not consider a full record, however important the question for decision.

Abstracts of records are a condition precedent to the hearing in courts of appeal and no cause may be presented without such abstracts. Attentive reception of the weighty subjects before such a convention as ours is a straining intellectual task to which fatigue is an early concomitant, dulling the edge of attention in most delegates. The determination to print, rather than read, detailing reports, after an abstract presentation in open con-

vention, would enlarge the field of consideration and make a pleasure of a distress.

The most disappointing feature of the convention was Mr. Horner's report viewed in the light of the treasurer's report showing the amount of a special bank deposit to the credit of the advertising fund. From promise upon promise, beginning at the Atlantic City convention, came the pitiful announcement of some \$250 in a separate bank account representing the total contributions.

It is true the indefatigable chairman added after an interval of a day or two a supplementary report with more promises, which, it is to be hoped, may bring some realizations. But this fiasco of the advertising committee's efforts will, I believe, result in a broader grasp of the diversified need of really educative work.

The "pitiful announcement" to which Mr. McFee refers must be due to some misunderstanding on the part of the gentleman. Mr. Horner made mention of \$250 in a separate bank account for the use of his committee, but this amount represented that which subscribers to the fund had, in their enthusiasm, sent on before the committee had begun to request remittances to cover pledges. The total amount which was pledged at the time of the convention was about \$22,000.

As to the Institutional Advertising idea "The Eastern Underwriter" has this to say:

Whatever virtue there may be in the Horner plan of education and conservation should be tried out. If there is anything which will make life insurance policies sell easier or pave the way for the agent or even break down a little the prejudice against the business among certain classes of people, that plan is well worth experimenting with.

"The Western Insurance Review" does not agree with Mr. McFee as to the value of five-minute discussions, for it says:

The passing around of ideas and actual working experience of the men who have made a big success enables every man in attendance at these meetings to go back to his work more enlightened as to the great possibilities of the life insurance business and the true part the agent plays in its conduct.

No limit can be put upon the value of discussions upon agency development and the agents' duty to the policyholder. Life insurance salesmanship to-day is regarded as a profession and the successful agent must be equipped with a knowledge of the business sufficient to apply life insurance to the needs of the policyholder in every instance. There is a great deal more in life insurance than the mere sale of a contract. Agents are realizing more and more every day that they are the doctor, as it were, and must prescribe a contract for their policyholder which will meet the needs of his family in the event of premature death.

William E. Bilheimer, of the St. Louis association, gave much to the convention. Like all men who grow by giving, he found the meeting a fountain of inspiration. He briefly told his story in "The Eastern Underwriter."

Upon entering the splendid convention hall at Cincinnati where was assembled the National Association of Life Underwriters, one was at once impressed with the high character of the men who composed its councils. As the proceedings went forward this thought became more indelibly stamped upon one's understanding.

Like a mountain peak rearing its head in lofty strength was the speech of U. S. Senator Lawrence Y. Sherman, of Illinois. "Lincolnesques" in features, with a voice that carried to every part of the great convention hall, he piled fact upon fact, added logical deduction to logical deduction until the thought that the present burdensome taxation of life insurance companies was unjust permeated every nook and cranny of one's entire being. It made one feel that in Lawrence Y. Sherman, of Illinois, there stood a champion who fought this unwarranted tax upon American policyholders because it was simple justice for him to do so.

The good fellowship that comes from putting into practice the brotherhood-of-man ideal pervaded the entire convention proceedings and was accentuated by the gentle personality of Ernest J. Clark, the retiring president, who presided over its deliberations.

The effervescent, energetic Edward A. Woods was a veritable wall of strength, holding the convention up to the ideals of constructive, progressive life insurance principles.

The magnetic forcefulness of Meyers, Mead, Ward and Edwards; the quiet strength of King and Johnson; the analytical temperament of Russell and Horner; the scintillating wit of Shuff; the simple dignity of Willet; the cordiality of Powell and Mack—all lent their full quota of strength and gave an added charm to a convention that must always rank as one of the greatest ever held by earnest, determined, enthusiastic men, laboring under the conviction that they were in the world to help humanize humanity through the avenues offered them by their own profession—that of life insurance.

This great gathering seemed to make one feel that we must not forget that we sprang from a broad-shouldered, deep-chested race of fighters and yet this thought was softened by the fact that throughout the whole convention there were radiant gleams of that "love that suffereth long and is kind."

My impressions are crystallized in this one thought—a convention of forceful, dignified, sincere men of high character, not moved by whims nor fancies nor influenced by the atmosphere of the passing moment, but striving together under a common impulse, actuated by that mighty force that actuates all men to do the real things of life—a deep-rooted conviction that in their profession they had found their life work.

One of the most enthusiastic appreciations of the convention is found in "The Standard," where "The Old General" summarizes his impressions in this manner:

Any life insurance man who could beg, borrow or steal the price of a trip to Cincinnati last week and failed to do so missed attending the finest convention ever held by the National Association of Life Underwriters, and, while he may have an opportunity to attend some just as good in the future, he never will find one any better.

That convention, in my way of thinking, was a triumph of enthusiasm and good-fellowship.

The character of the formal addresses and the talks on the five-minute topics was of the highest order of excellence and any man who was privileged to listen to them and failed to receive inspiration and practical help must have been a dead one.

I tell you that convention was a breeding place for big, lean, helpful thoughts and ideas that will result in making life insurance a better business to be in in the future, and every man present may well feel proud to have been a part of that enthusiastic gathering of good fellows.

If what John Dolph of the Metropolitan said to me on my way through Washington last Saturday be true, "that few ideas are just as essential to a man's health as to his business success," every man who attended the convention must have assimilated enough new ideas to assure him of unbounded vigor for the rest of his natural life.

And that man "Jack" Shuff! He was a wonder. Always ready with a smile, a handshake, a story or a speech, possessed of an original, kindly humor, he will long be lovingly remembered by those who attended the convention, and the world will never be "too serious to be cheerful" so long as he remains in it.

Then to those other Cincinnati folks: President Clark of the Union Central, Millard Mack of the entertainment committee. How they did entertain us! It was a wonderful demonstration of generosity and good-will which will long be treasured in memory's hiding place among those things we have found it good to keep there.

I tell you, men, never miss attending one of these con-

ventions on any excuse short of death itself. You can always afford it. You can never afford to miss it.

You will always bring back what you put into it and more.

"Rough Notes" also found opportunity for an excellent editorial hinging upon the unselfish service performed by the National Association. This we gladly reproduce in full. It follows:

The National Association of Life Underwriters in session in Cincinnati last week officially recorded that to have been the best convention ever held by the association. There were present two of the original founders of the life association movement, and thus, in the lifetime of these two men, has grown up a great institution for the betterment of the business, the beneficent influence of which cannot be overestimated. Organized in a somewhat crude way but with the underlying principles that make for permanency, the association has been engaged in the great task of improving internal conditions in the ranks of business producers. Beginning at a time when competition had developed to a stage of almost unendurable unfairness and when every agent looked upon his competitor in the business as an unscrupulous rival and even as an open enemy, the purpose of the founders of associations to bring the bitter antagonists into a harmonious organization, pledged to discontinue the unfair practices of which they were so nearly all guilty and which they had come to look upon as the only possible methods that could be used to secure business, must have seemed to be almost an Utopian dream, pleasant to contemplate, but hopeless of realization. Yet this dream has come true in a sense almost beyond imagination in the most optimistic hopes of the founders.

The National Association of Life Underwriters has established certain, undeniable standards of ethics for the business and has made of it a dignified calling as compared with the piratical and high-binder methods of the early days. It has brought a realization to the minds of all engaged in the business that the prosperity of the individual is best served when the best interests of the whole fraternity are safeguarded. It has been practically a discovery of life underwriters' associations that the most certain way to advance one's own interests is to advance the general cause of life insurance. The discrediting of another's company means, eventually, the discrediting of one's own company. As vilification, slander and misrepresentation were common implements of competition before the days of the association idea, some conception of the advance that has been made is possible. Rebating and twisting have been discredited and there is no doubt but that the laws now on the statute books of many States are directly attributable to the sentiment fostered against them by association workers. From a business in which a man felt isolated in his relationship towards others engaged in the same line the time has been brought to pass when a man may rightfully claim many intimate friends among his business competitors, from whom he may expect assistance instead of hindrance and even active antagonism.

So definite have been the reforms effected within the ranks of those who enjoy association membership that now the great and influential body of co-workers is turning its attention outwards and is well launched upon at least three large campaigns which are not so directly of advantage to life insurance men themselves as they are to the insuring public. The movement for conservation of human life, back of which are a number of great national organizations, is receiving hearty co-operation and support on the part of the National Association of Life Underwriters. Also the association is making a definite campaign against the unfair burden of taxation which has been loaded upon the business, this having been accomplished so adroitly by political tax-eaters that a full realization of its great injustice has not reached the public mind but which the association is now endeavoring to

bring to that desired destination. In both of these enterprises the association is working for reforms that most directly concern the policyholder and only indirectly react to the advantage of the agent.

The third great movement is educational and in the benefits of this the public and all agents, whether in the association or not, will mutually share. The association is proving itself broadminded enough to be willing to spend its own money for the general good of the cause and to be satisfied with such share of the benefits as may be secured by its members and not begrudging others of the benefits they may also enjoy. The National Association is therefore taking an advanced stand that is highly commendable and worthy of praise and encouragement. It is performing real service for humanity and is becoming more and more an important factor for the general welfare of the interests of all life insurance policyholders.

"The Western Underwriter" discusses the resolution adopted reiterating and emphasizing the stand taken at the Toronto convention with regard to qualifications for membership in local associations. This action is considered as indicative of a progressive spirit which will result in an increased membership and at the same time will not militate against maintaining a high standard of field ethics. It is appended:

We were pleased to see the National Life Underwriters' Association at its Cincinnati convention reiterate and emphasize the stand taken at the Toronto meeting a few years ago when it defined its policy as to membership. There has been a discrimination against younger companies. Some associations had adopted rules that kept from their membership rolls agents of companies that operated on other than the full reserve basis. Others placed a time limit of ten years before a company's agents could be admitted.

This was a narrow point of view. The National body defined its position and stated that all agents of all companies should be admitted provided that such companies were not engaged in reprehensible schemes, even if such could legally be operated. It mentioned some of these—dating back policies, selling stock with insurance, special board contracts and the like.

Even with this action, a few local associations, living in the past so far as taking a broad view of life insurance is concerned, still placed the embargo on new company agents.

Many of the newer companies are big factors in the fields in which they operate. They are clean and well conducted institutions, whose representatives are seriously engaged in the business, observing the ethics in a splendid way, and who deserve encouragement. All of us who have attended the agency conventions of the so-called newer companies have been impressed with the continuously growing character standard of the men. There is an enthusiasm about these agents that is admirable. They are ready to fight for their companies at the drop of the hat. They are close to the management. They have settled in their own minds the spirit and policy of the officers. They have convinced themselves that they can conscientiously sell their policies.

To attempt, therefore, to ostracize such agents from association membership is sheer foolishness and reflects on the business as a whole. What we are all aiming at is increased efficiency and service, a higher order of talent in the field, men who are well versed in their calling. The life underwriters' association stands for certain standards. It is an educational force, a power for good. It lifts men away from the viewpoint of their own special company to see the beauties of life insurance as a great system of beneficence. The good fellowship engendered at association meetings tends to break down the personal asperities. The life underwriters' association, as we see it, does not stand for anything than the best in the business.

Rating Habits of Work.

No two men attain success in soliciting life insurance by following exactly the same system. While it is conceded that there are certain fundamentals necessary, close analysis reveals the fact that there are about as many methods of solicitation as there are men who solicit.

Superintendents of agencies will tell you that in putting men under contract, the most promising are often failures and that frequently a man who apparently possesses little ability makes a wonderfully productive record.

Take for instance a convention of the National Association. You will find many men who are large personal producers and many men who are eminently successful general agents or managers. More frequently than not you ask yourself, "How does he do it?" One phase of agency management was recently discussed in the *Saturday Evening Post* by Rodger W. Babson, the subject of his article being "Rating Employees." Mr. Babson devoted a portion of his story to a plan devised by Warren M. Horner, chairman of the Committee on Education and Conservation of the National Association. Excerpts follow showing the attention Mr. Horner gives to certain personal characteristics of his soliciting staff with a view to increasing individual efficiency.

I had the pleasure of talking over this system with the head of the agency, Mr. Horner, and was especially impressed with the fact that, unlike most systematizers, he is a money-maker. Most of us theorists devote so much time to preaching that we have only a limited amount to devote to practicing. In the case of this man Horner, however, I learned from many banking firms in Minneapolis that he is one of the best salesmen in the country, and his results are the envy of all.

On the blanks I found Mr. Horner using there was not only a place to mark the salesman on his hopefulness but also to mark him on the total premiums received. For the benefit of salesmen reading this article, let me say that all systems coming under this group divide the salesman's work into five divisions—namely:

- | | |
|-------------------------|----------------|
| 1. Habits of work | 3. Sales |
| 2. Attention to details | 4. Collections |
| 5. Total results. | |

Each of these main divisions has various subdivisions and, as an illustration, the following, taken from Mr. Horner's blank, shows the subdivisions under habits of work:

- | | | |
|---|---|---|
| 1. Idealism. | } | 1. Understanding of business. |
| 2. Intelligence. | | 2. Selecting policy to suit age and condition of applicant. |
| 3. Hopefulness | | |
| 4. Optimism | | * 3. Self-culture. |
| 5. Uniform courtesy. | } | 1. To clients. |
| 6. Number of daily interviews. | | 2. To office force. |
| | | 3. To fellow agents. |
| 7. Concentration or effectiveness of work, as to waste of time or energy. | } | 1. To company. |
| 8. Loyalty | | 2. To organization. |
| | | 3. To fellow agents. |
| 9. Attention to old policyholders. | | |
| 10. Enthusiasm. | | |

If you were a salesman under Mr. Horner you would be marked each week on each of the above points, and the average of your marking on these points would give you a certain rating on the first subdivision—namely, on your habits of work. Each of the subdivisions would be treated in this way, so that you would get a final percentage on each of the five divisions which could be studied separately or could be averaged into one figure. This would be your rating according to the Horner system. By studying your rating over a long period of time

it is possible to determine whether you are improving or declining in efficiency, and also to compare yourself with other salesmen.

I heard a big manufacturer say not long ago that all systems for rating salesmen are useless. He said that a salesman can be readily judged by the business he produces, and that this is the only important and worthwhile test. Of course such a test might be sufficient if every salesman had the same territory and worked under the same conditions; but for a concern having a large number of salesmen, with each salesman in a different section, the total-business test is neither fair nor efficient.

Moreover, the Horner system enables a business man to get a line on what his salesmen are doing from day to day, without waiting a long time before ascertaining the good and bad qualities of his men. It surely does make a difference whether a man is working among the hoboes or the upper ten in the results he gets; and I should think it would make a man feel like making good to know that his boss showed enough interest in him to card-catalogue him.

What the Local Associations Are Doing

Life Association News has no paid correspondents. We depend entirely upon the secretaries of local associations to send us stories of all meetings of their respective associations. If an account of the last meeting of *your* association does not appear in this department, ask the secretary of your organization why he did not send us the particulars.

Immediately after each meeting, on the same day if possible, secretaries of local bodies should send us a full account of the business transacted, including copies of all speeches, or extracts from the most important of them.

Buffalo.

Members of the Buffalo association demonstrated the vigor of their organization in the evening of Oct. 9 when, in response to the call of President Joseph E. Gavin for an emergency meeting they assembled 75 strong at the Ellicott Club for dinner, listened to an address by J. S. Knox, of Cleveland, and took important steps toward the stimulation of greater interest this winter in the association.

President Gavin presided. G. J. Eckhardt, secretary, arranged details of the session which was called at a few hours' notice in order to hear Mr. Knox, whose stay in the city is limited.

Mr. Knox's theme was "Salesmanship." He developed it in rapid fire fashion. He dwelt on "positives" and "negatives" in selling goods as he termed them, showed the insurance men

how to approach a "prospect," how to gain his favorable attention, how to create a desire for the goods for sale, and lastly how to close the sale. He declared the real salesman must be a mental reader as well as a mere transfer medium for goods.

The real salesman, Knox said, keeps his patron on the defensive in the conversation and offers him two positive choices, both of which lead to a sale, instead of introducing any extraneous ideas that divert the "prospect's" line of thought from the goods for sale. Mr. Knox also touched on the relation of "inspiration and information" in selling goods and handed out an illuminating array of hints to insurance men. He was given a rising vote of thanks.

President Gavin explained the fight being waged by the Buffalo association against the bill pending in the Senate to impose a stamp tax on life insurance policies. Replies from Senators O'Gorman and Root were read, in which both pledged themselves to oppose this war measure which would tax life policies at the rate of 80 cents on the \$1,000, to the increasing of the burden now resting on the public, so the association believes. The life underwriters petitioned Senators Root and O'Gorman to ask Chairman Simon of the finance committee to eliminate the proposed stamp tax.

Percy G. Lapey, first vice-president of the association, reported on the national convention. He urged the association to seek widening of its scope. C. S. Elliott, of the Travelers' Insurance Company, supported Mr. Lapey's attitude and appealed for more general publicity on the subject of life insurance.

Colorado.

The September meeting of the Colorado association was attended by about 40 members. Dinner was served at 6.30 and as a result of Secretary Reich's brilliant efforts for the benefit of the organization, seven new members were admitted.

Among the principal speakers were Dr. Garwood, of the Union Central; Robert Lynn Cox, manager of the Association of Life Insurance Presidents, New York, and Manager Hendy of the Ford Motor Co. Mr. Cox, who was in Denver to attend the meeting of the American Tax Commission, delivered an inspiring address. He reviewed the work accomplished in the past by enterprising companies, mentioning the opportunity for bettering the service of insurance to the public and reminding the members of the unusual opportunities the future held for them.

The subject of Dr. Garwood's talk was "Necessity of Honest Examinations." Dr. Garwood is Medical Referee of the Union Central Life and his message created considerable interest.

Manager Charles Hendy, of the Western branch of the Ford Motor Co., read an especially instructive paper on the subject of "Salesmanship."

Richard Oliver, formerly of Harrisburg, Pa., but now of Denver, contributed much in his address to the success of the occasion.

An important subject which was brought up for discussion and referred to the Executive Committee for action was the displaying of signs in Denver office building classing the solicitor with the peddler as an undesirable citizen.

After a thorough discussion it was decided to furnish the University of Colorado, the Denver University and the Colorado College with lectures on life insurance by prominent members of the association.

Columbus.

The Life Underwriters' Association of Columbus gave a 6 o'clock dinner at the Athletic Club of Columbus Oct. 5, at which Warren M. Horner, of Minneapolis, was the honored guest and principal speaker.

In his talk Mr. Horner said: "Life insurance is just in its infancy; no other business has the future opportunities for developing as has that of life insurance. Men and women of all classes are beginning to realize that life insurance is almost a necessity. One of the big companies reports that 90 estates out of every hundred receiving money for life insurance in their company had no other resources, except

the life insurance." He said: "The time has come when the people are in a receptive mood to be enlightened and educated on the subject. For a century life insurance companies have depended on word of mouth and shoe leather, but in the future printer's ink would be a great adjunct. It's going to put life insurance on the high plane where it belongs."

Mr. Horner himself is an enthusiastic believer in advertising and during the interesting talk related a few of his experiences of the past year regarding his own advertising. He said: "I have been a constant advertiser, spending about \$10,000 in the past eight years, telling the people of Minneapolis why they should have life insurance, and I have proved to hundreds of skeptics that advertising would do for life insurance what it has done in commercial lines."

Detroit.

At the first fall meeting of the Detroit association a resolution was adopted that the association raise a fund of \$1,000 from the members of the association to be turned over to the National Committee on Education and Conservation for use in its Institutional Advertising Campaign. The following committee was appointed to secure subscriptions to the fund: Jesse L. Scott, Prudential, chairman; Percy N. Astey, Northwestern; Wm. C. Martin, Metropolitan; Thatcher W. Root, Mutual Benefit; and Robert Campbell, Manufacturers.

The association decided upon starting a campaign for an increased membership. An amendment to the Constitution and By-Laws will be presented at the November meeting, providing that the annual meeting and election of officers, which is now held in January, be set forward to the December meeting.

Garner Curran, deputy commissioner to Wm. L. Hathaway, commissioner of the World's Insurance Congress, addressed the association a few weeks ago and a committee was appointed to consider suitable action. This committee, which consisted of Charles W. Pickell, Charles White and Donald Clark, presented a resolution indorsing the Congress, which will be held in San Francisco in October of this year.

District of Columbia.

The regular meeting of the District of Columbia association was held in Washington Oct. 1. Interesting reports were heard from John Dolph, T. A. Weeden and H. G. Johnson, delegates to the Cincinnati convention. During the meeting plans were formulated for an active publicity or advertising campaign for the coming season. Furthermore, it was decided to make this a subject for discussion at a meeting to be held on the 16th inst.

Erie.

J. J. Jackson, of Cleveland, was the guest of honor at the quarterly banquet of the Erie association in the Reed House, in the evening of Oct. 9, James M. Dickey, of this city, and a member of the executive committee of both national and local associations, also gave a short address and William H. Riley, delegate from Erie to the national convention, gave his report at this session.

Mr. Jackson, who personally wrote more than \$1,300,000 worth of insurance last year, was brought to Erie to inspire the local association. His talk was a practical one and proved most interesting, and a benefit to every insurance man present.

His ability to do so much business was credited to a large extent by the speaker to his membership in the National Association. He told what the association had done to increase the business and keep down the cost to the policyholder.

Mr. Jackson declared himself in favor of a law that would require every man to pass an examination on salesmanship, moral character and the theory of life insurance, before securing his agent's license. This, he said, would be a benefit to both the agents and the insurance companies. One of the most interesting features of his address was on how he goes out and gets the business.

He also urged the selling of endowment policies, saying that many men over 65 are wholly dependent on earning in-

sufficient salaries, and a larger number of sales of these policies would decrease the number of dependents.

Mr. Dickey, in his address, attempted to show those present, who were not members of the association, that the association is a big thing both for the agents and for the policyholders and as an example pointed out the action taken at the Atlantic City convention where the National Association was successful in having insurance companies eliminated from the income tax. He also cited a similar incident at the Cincinnati meeting by which the companies were exempted from the war tax.

The saving affected in each instance, according to the speaker, was the policyholders, in the first instance \$6,000,000 per year and in the second, \$2,500,000 per year. Thus, he said, the association has saved American policyholders \$8,500,000 per year.

Several "gems" which he gleaned at the Cincinnati convention were repeated by Mr. Riley, in his report. Among them was the motto of the association which is "May we all be benefited by the comradeship which comes from meeting face to face in the right kind of spirit, men with whom we differ—by getting into close personal touch with them and gaining the proper respect for the opinions and purposes of others whose aims are identical with ours."

Georgia.

With fifty members and guests of the Georgia association present, a complimentary banquet was tendered to National President Hugh M. Willet on the evening of Sept. 29, at the Piedmont Driving Club. Among the guests of honor were Major James G. Woodward, Insurance Commissioner William A. Wright, Vice-President W. C. Johnson, of the Columbian National of Boston, and President Wilmer L. Moore, of the Southern States Life.

Oscar Palmou, president of the local association, officiated as toastmaster, and congratulated Mr. Willet on the honor which had been conferred upon him at Cincinnati. Commissioner Wright was particularly happy in his felicitations, stating that he had known Mr. Willet since the days of childhood. He predicted that the work of the National Association would reach a high ethical level during the administration of Mr. Willet. Major Woodward, Clark Howell and Wilmer L. Moore spoke along the same lines.

Mr. Johnson claimed that the improved conditions of the present day were largely the results of efforts of the National Association and its affiliated local bodies.

Mr. Willet, in responding, declared that the solicitation of life insurance should be conducted with the same dignity as other professions, such as law, medicine, and the ministry. He reviewed the new uses for life insurance, mentioning how it might be applied to endowments for colleges and other institutions.

Grand Rapids.

There was a meeting of the Grand Rapids association at the rooms of the Association of Commerce on the 10th inst. Unfortunately, those present found themselves two short of a quorum. As a consequence the election of officers and the consideration of the proposed amendment to change the annual meeting date to January or February and other routine business was postponed until the next meeting of the association, which is to be held Nov. 7.

At the November meeting the matter of reducing the number required for a quorum will be discussed, as will the question of reducing annual dues for the purpose of increasing the membership.

Encouraging news was received with regard to the subscriptions to the fund being raised by the National Committee on Education and Conservation.

Indiana.

There was a well attended meeting of the Indiana association on the evening of the 5th inst. at Indianapolis. The principal features of the meeting were with regard to the organization of a Federation of Insurance and to an advertising campaign.

The members pledged the sum of \$600, one-quarter of which will be sent to the National Committee on Education and Conservation. A committee was appointed to interview the Indianapolis Church Federation with a view of setting aside one Sunday for life insurance in the various churches. The "Buy-a-Bale-of-Cotton" idea appealed to members and it was resolved to purchase a bale. It was also decided to send a flower tribute to the home of Joseph Carhart, a prominent member of the association, whose wife recently passed away.

Winslow Russell, superintendent of agents for the Phoenix Mutual, will be the principal speaker at the November meeting and Gov. Samuel M. Ralston will address the association at its December meeting.

It was decided to have a "Ladies' Night" and the date will be subject of future announcement.

The following new members were admitted: Guy A. Ramsdell, Mutual of Indiana; R. A. Ridgeway, New York Life, and Richard Habbe, State Mutual.

Iowa.

The Iowa association went on record as opposed to the proposed tax on life insurance policies as provided in the administration emergency revenue bill at the regular meeting of the association held in the Grant Club in the evening of Oct. 3.

About thirty members of the association were in attendance at the dinner and business meeting, and a motion was unanimously adopted urging every member of the association to wire some member of Congress requesting that the provision of the bill which places a tax on life insurance be eliminated.

During the discussion it was brought out that Senator Kenyon and Cummins, as well as a number of Iowa Congressmen, were opposed to the proposed insurance tax, and that throughout the country pressure was being brought to bear upon Congressmen to strike out that provision of the bill.

Three papers were presented regarding the business transacted at the sessions of the National Association which was held recently in Cincinnati. George W. Hughes, President of the Iowa association, presented a paper on the first day's session, giving a brief synopsis of the day's proceedings. Papers giving detailed reports on the second and third day's sessions of the association were read by J. A. Blum and M. M. Deming.

Among other matters discussed at the meeting was the question of securing the co-operation of Des Moines ministers in setting aside one Sunday during the year for the purpose of preaching a sermon on life insurance. It was pointed out that the plan had been carried out successfully in several large Eastern cities.

The question of an extensive advertising campaign of life insurance companies, either with home offices or representatives in Des Moines, was taken up, and it was decided to hold a dinner and business meeting on the evening of Oct. 17, at which time definite plans are to be formulated.

A general discussion was participated in relative to the proposed tax on the members of the association of 5 cents per \$1,000 of paid-for business to be used toward advertising and it was moved and carried that a meeting be held on the evening of Oct. 17 at the Y. M. C. A. building in Des Moines and that all members of the Iowa association be invited; also that at least one representative of each life insurance company which is now represented in Des Moines and which does not have membership in the Iowa Life Underwriters' association be invited to attend as guests of the Iowa association, at which time the proposition of the advertising will be discussed and arranged.

Jacksonville.

At its meeting Monday, Sept. 7, the Jacksonville association appointed William T. Lusk, Chairman, George C. Perkins and George E. Sheppard on the Committee of Publicity, and W. P. Corbett, Chairman, Tracy Acosta and M. D. Johnson on the Committee on Law and Legislation.

Knoxville.

The first meeting of the fall by the Knoxville association was held at noon Sept. 26, in the private dining room of the Seilaz cafe, with a large number of members present. Luncheon was served and during the progress of the meeting talks were made by four of the five delegates who attended the National Convention of Life Underwriters in Cincinnati recently. The delegates were T. S. McKinney, William B. Henderson, Elihu Anderson, E. R. Lutz and J. V. Rymer.

The first of the talks was made by Mr. McKinney, a member of the executive committee of the National Association. He said there were 708 delegates in attendance, representing 89 local associations, with a membership of 6,000 life insurance salesmen.

Mr. Anderson was next and devoted his time to impressions of the convention. He said he was greatly impressed as he looked upon the audience and observed the many gray heads and said that it showed the profession could be followed and that one could not get too old for it.

The importance of woman's place in life insurance was discussed by Mr. Lutz, and the concluding speech was made by J. V. Rymer. Mr. Rymer told of the social features of the convention.

One of the important features of the meeting was the steps taken toward pushing the educational and publicity campaign. The plan outlined by the national convention was followed in this, it being that each member subscribe five cents to the fund from every \$1,000 of business he did last year. This will be used in educating the people to the necessity of life insurance through publicity.

Lima.

An enthusiastic meeting of the Lima association was held on the 13th inst. at the Elks Club in Lima. The meeting was in charge of the new officers elected at the June meeting. Reports from delegates at the Cincinnati convention were greatly enjoyed and all those present were confident that the coming year will be full of constructive effort.

Volume I, No. 1, of *The Life Underwriters' News*, the official organ of the Life Underwriters' Association of Canada, has just made its appearance. We are told that this action has been under consideration for several years. The matter was discussed at the Halifax convention and it was at first thought that the association might take over *Office and Field*, but upon investigation this undertaking did not prove feasible. The first number of the Journal consists of 12 pages in attractive form, and is generally regarded as a precursor of a new era of association development among out Canadian brethren.

Miami.

It is reported that Edward Starr, of the Metropolitan Life, has taken the preliminary steps to organizing an Association of Life Underwriters at Miami, Fla. Mr. Starr has conferred with the leading members of the Jacksonville association and feels encouraged as to the prospects for a new local body in his home city.

Minneapolis.

The principal feature of the September meeting of the Minneapolis association was the reports of delegates to the national convention. Warren M. Horner, J. A. Blond and J. Edward Meyers each gave his impression of the meeting.

Mr. Meyers also made a motion, which was seconded and carried, that the president appoint a committee of three to co-operate with the Legislative Committee and submit a by-law to the association giving qualifications other than company requirements for membership in the association and to co-operate with the insurance department of the State in recommending laws governing the qualifications of those whom the State licenses to solicit life insurance.

The following were elected to membership: E. W. Anderson, C. W. Kleifgen and Henry W. Womack, Metropolitan Life; H. L. Bourgerie, Prudential; H. D. Hord, Home Life; Walter I. Hughes, Provident Life & Trust; John G. Rothermal, New England Mutual, and W. C. Addy, State Mutual of Worcester.

Minnesota.

A special meeting of the Minnesota association was called by President George W. Harrison and Secretary Charles E. Learned, Jr., at the Commercial Club on Sept. 23. The meeting was a banquet tendered to H. H. Ward, ex-president of the National Association, who was stopping over in St. Paul en route to Portland, Ore., on his return from the convention at Cincinnati. Accompanying Mr. Ward were M. J. Dillon, of the Pacific Mutual, and Warren M. Horner, of the Provident Life and Trust. President Carlson of the Minneapolis association brought with him a number of friends to the meeting. The subject of Mr. Ward's address was mainly on association work, urging upon the field agents the necessity of keeping after the 25,000,000 policyholders and conserving the business. He called attention to the possibilities of eventually eliminating charity through the medium of insurance. Both Mr. Horner and I. C. Peterson, deputy insurance commissioner, delivered exceptionally interesting addresses.

Mississippi.

The Mississippi association held an enjoyable luncheon in the private dining hall of the Bon Ton cafe at noon Oct. 5, the occasion being the monthly meeting of the association, which was largely attended.

Warren Pullen, secretary-treasurer, gave his semi-annual report showing the present condition of the association, and naming a large list of newly elected members.

One of the features of the meeting was the talk of C. W. Welty, secretary of the Lamar Life, who told those present all about the Cincinnati convention of the National Association. Mr. Welty spoke in place of W. H. Pullem, Sr., who was hurriedly called from the city.

A suggestion was made by Secretary Pullen that the annual meeting which takes place in January be held this year in some other city of the State besides Jackson, where it has always heretofore been held. The matter was referred to the executive committee and will be taken up again at the next meeting. If the idea meets with the committee's favor, all members of the association will be allowed to vote on the question of what city shall have the meeting.

In the event the annual meeting this year is held out of the city of Jackson every agent in the State will be invited to take part. At this gathering a number of addresses will be made, five minute talks, etc. It is thought that at least 150 agents can be induced to take part in the convention. At that time the great good that can be accomplished by a large membership association will be brought out. It is hoped by the officers of the Mississippi association that they can boast of at least 150 members by Jan. 1, 1915.

Nashville.

Institutional Advertising was the principal subject of discussion at a meeting of the Nashville association held on the 3d inst. at the Commercial Club. President H. B. Alexander gave an outline of the plans of the National Committee on Education and Conservation and named the following committee to take charge of the matter: Wm. E. Dow, chairman, Lee J. Loventhal and Robert Webster. The committee will report at the November meeting. C. C. Dabney and Lee J. Loventhal reported upon the Cincinnati convention.

New England Women's.

The New England Women's association held its first meeting of the season on October 2. Mrs. Florence E. Shaal presided and congratulated the association on winning the Waite attendance cup for the second time, and appealed to each member to attend the meetings the ensuing year, so that "We may bring back the cup from San Francisco in 1915."

A telegram from Vice-President Edward A. Woods urging every member to wire his United States Senator protesting against the proposed tax on life insurance was read, and it was unanimously voted that the acting secretary send telegrams protesting including life insurance in the proposed war tax to our United States Senators.

Frank H. Stratton, delegate from the Boston underwriters, gave a report of the national convention at Cincinnati, and

held the close attention of his audience as he detailed the principal events which marked one of the most enthusiastic gatherings of the national body.

New York.

Mr. Warren M. Horner, chairman of the National Committee on Education and Conservation, addressed 72 members of the New York association at a special noon-day meeting, held on Sept. 29, at Kalil's Restaurant. The attendance for a special meeting, was particularly gratifying and Mr. Horner's enthusiastic reception was somewhat in the nature of a surprise.

The Institutional Advertising Propaganda had been brought to the attention of the New York association several times in the course of the year, but little interest had been manifested.

President Julian S. Myrick introduced Mr. Horner and that gentleman lost little time in getting down to the core of his proposition. He said that he had no desire to make an extended speech as the plans and purposes of his committee had been rather thoroughly discussed in the various insurance publications. His talk was devoted largely to explaining a misunderstanding which seemed to exist with regard to the proposed campaign. Particular stress was laid upon the necessity of devising some plan which would do away with the attitude of the public with regard to the life insurance solicitor. The speaker mentioned the text book on life insurance being prepared by Dr. S. S. Huebner and stated that a majority of the associations had subscribed to the fund raised for the Institutional Advertising campaign.

The entire movement was briefly traced and Mr. Horner concluded his remarks by saying, "The education and conservation movement is a mighty harvest already garnered and stored in the granary of organization—not there to rest and rot; but to be drawn out on the highway of progress to the market of opportunity."

It was explained that in view of the peculiar conditions of the business in New York City, the best way for the New York association to identify itself with the movement would be not to start a local campaign of its own, but to contribute the entire amount raised to the national committee.

Mr. Myrick announced that Mr. Horner would be glad to answer any questions. Several of the members took advantage of the opportunity to more fully inform themselves as to certain points which were not clear to them.

Lawrence Priddy then offered a resolution to the effect that the New York association indorse the movement and authorize President Myrick to name a committee to secure contributions to the fund. The resolution was adopted and Mr. Myrick named the following committee: Lawrence Priddy, New York Life, chairman; D. G. C. Sinclair, Metropolitan; W. R. Collins, of Johnston & Collins; Charles Jerome Edwards and Shepard Homans, Equitable; W. M. Compton, John Hancock; Edward W. Allen, New England Mutual; T. R. Fell, Massachusetts Mutual; R. R. Reid, Northwestern; Thomas Spencer, Travelers; C. B. Knight, Union Central; John F. Tunmore, Provident Life and Trust; F. O. Dunning and William H. Ryan, Penn Mutual; O. J. Gooding, Northwestern; Eugene Smith, Aetna Life; George A. Brinkerhoff, Mutual Life.

North Dakota.

The North Dakota association, at a special meeting of the executive committee, went on record as being strongly opposed to the action of Congress in imposing a stamp tax on life insurance policies, claiming that it is a violation of modern progress, to hinder to this extent the protection provided for mothers and children of the nation. The association unanimously adopted the following resolution, and have sent a copy of the same to President Wilson, Senator Simmons, chairman of the Senate finance committee, and State Senators P. J. McCumber and A. J. Gronna:

"WHEREAS, The imposition of a stamp tax of eight (8) cents per one hundred (\$100) dollars on all life insurance policies has been recommended by Congress, now in session, and the same having passed the House as recommended; and

IT CAN BE DONE!

Successful young men can increase their income from the start—if they select a Company that has

A REAL SERVICE DEPARTMENT!

When your friend asks *YOU* tell him about our Educational and Sales Department.

Phoenix Mutual Life Insurance Company OF HARTFORD, CONN.

JOHN M. HOLCOMBE, President

WHEREAS, The imposition of such tax referred to necessarily would increase the most of the protection to the mothers and the coming generation of this nation, and as there are other channels whereby the Government can exact the necessary tax to cover the deficit in Federal revenue due to European conditions; be it

RESOLVED, That the North Dakota Life Underwriters association hereby register urgent protest against the passage of such an act and urge the abolition of this clause from the war tax bill now before the Senate for the following reasons:

First: Ninety per cent. of all such policies in force have mothers and dependent children as their beneficiaries.

Second: All such policies now have wrongfully imposed upon them a double tax, one upon the individual companies direct and another upon the business in force by the insurance department of each State.

EUGENE FRETZ, Jr., President.

A. F. COLWELL, Secretary.

Philadelphia.

At the Hotel Adelphia on the evening of the 5th inst. the Philadelphia association held its first meeting of the season. The attendance was about 100, with National President Hugh A. Willet guest of honor.

It had been decided to discuss the proposed stamp tax on life insurance policies. This feature, however, was abandoned because of favorable action taken by the Senate finance committee. President Fox presided at the banquet. President Willet spoke along the same lines as he did at the Pittsburgh inaugural. Lewis F. Paret reported upon the Cincinnati convention, while Richard S. Wallace, vice-president of the Mutual Life and a charter member of the association, gave some interesting reminiscences. A farewell address was delivered by Everett H. Plummer. Among the special guests were Colonel Ezra De Forrest, of New York; Bolling Sibley, of Memphis, Tenn.; Captain J. W. Iradell, of Cincinnati; George Benham, of St. Louis, and Frank D. Buser, of this city, formerly national secretary.

Pittsburgh.

The 14th inaugural meeting of the Pittsburgh association was held on the evening of the 3d inst. in the English Room of the Fort Pitt Hotel. The Pittsburgh association has for years past enjoyed a reputation of being one of the most progressive local bodies affiliated with the National Association and the Inaugural Meetings are always looked forward to with great interest. As usual, the attendance was large and the enthusiasm notable. Between courses the members and guests sang popular songs, led by an orchestra.

At the speakers' table, among others, were seated National President Hugh M. Willet, National Vice-President Edward A. Woods, National Treasurer H. Wibirt Spence, William M. Duff, president of the Pittsburgh association; former National President Ernest J. Clark, H. R. Lewis, of Rochester, a member of the executive council; former National President Chas. Jerome Edwards, Warren M. Horner, chairman of the National Committee on Education and Conservation; James M. Dickey, national executive committeeman from the Erie association; Winslow Russell, superintendent of agencies of the Phoenix Mutual; former National President Charles W. Scovel, T. G. McConkey, of Toronto, national executive committeeman; Prof. Ira G. Flocken, of the University of Pittsburgh, G. Russell Leonard, of Chicago, and Everett M. Ensign, corresponding secretary of the National Association.

President Duff made a brief address and at its conclusion introduced the various guests at the speakers' table, all of whom acknowledged the introduction by arising and bowing to the audience. James C. Biggert and W. C. Lyne, who were charter members of the local association when it was organized 28 years ago, were present and were given a rousing reception as they arose to acknowledge their introduction by Mr. Duff. National President Willet was the first formal speaker and his address will be found elsewhere in this number.

Chas. Jerome Edwards was called upon to conduct the revival services. Mr. Edwards' grandfather was a Methodist

minister and it was the consensus of opinion that should Mr. Edwards ever desire to forsake the life insurance business, an opportunity was awaiting him as a professional exhorter. As a result of his appeal applications were secured from 51 new members.

Thomas Pomeroy, of the local association, briefly told of the special course of lectures which were to be delivered at the University of Pittsburgh under the direction of former National President Charles W. Scovel and Prof. Ira G. Flocken supplemented Mr. Pomeroy's remarks by giving an outline of what it was expected to accomplish.

Warren M. Horner, the indefatigable chairman of the Committee on Education and Conservation, made a few remarks relative to the Institutional Advertising Propaganda.

G. Russell Leonard, who has been the official reporter of the National Association for 18 conventions, spoke on this subject, "Some Thoughts of an On-Looker." Mr. Leonard's remarks follow:

"If I were to attempt to give you gentlemen any ideas about your profession from the insurance man's standpoint, I should be presumptuous indeed, for even those of you who have not attended the national conventions have had through the official proceedings the benefit of the experience of the best men in

the office and field, and if I am to interest you during the few minutes which it is my privilege to occupy in speaking to you to-night, it must be on what I see as a looker-on.

"I suppose in the 21 years during which I have followed the profession of shorthand reporting I have attended meetings of every profession and business under the sun. Within the last few months I have heard managers of railroads discuss with great solemnity the per diem charge which a railroad should make to another road for cars detained on its lines. I have heard great editors discuss the best way to serve the news papers of this country with the news of the day, I have heard manufacturers discuss the tariff which they should endeavor to have Congress place upon their foreign competitors' goods. I have heard canned goods men discuss ways and means to make the public realize that a vegetable is better when put up in a can than it is when picked fresh from the garden. I have heard boiler manufacturers and engineers discuss what shall be the standard specifications for boiler plate. I have heard ice cream manufacturers discuss the amount of gelatine which should be put in their product. I have heard jobbers talk about the evil of manufacturers selling direct to retailers, and I have heard retailers sympathizing with each other over the diatribes in the daily press against middle men, and I have

"What the Equitable Offers"

What the Equitable Offers is the title of a booklet listing in detail the many attractions and advantages of Equitable policy contracts.

While intended for the prospective insurer, it will interest any insurance salesman who is curious to know why Equitable policies sell readily, renew steadfastly and meet every conceivable need of all classes of insurers. A copy will be sent to any address on request.

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of the United States

165 Broadway, New York

W. A. DAY, President

Satisfied Policyholders

The constant line of applicants
for **ADDITIONAL** insurance in the

JOHN HANCOCK

shows that its members have
GOOD JUDGMENT

TIE UP WITH THE COMPANY MAKING
SATISFIED AGENTS



WILLIAM N. COMPTON

General Agent Metropolitan District

ST. PAUL BLDG. 220 BROADWAY
NEW YORK, N. Y.

heard manufacturers tell how it is impossible to make a living profit because of the demands of the jobber and the retailer.

"And as a result, gentlemen, of this bombardment of arguments from every side my mind—or as a learned English justice once said: "What I am pleased to call my mind"—has become somewhat of the consistency of a breakfast food. I am incapable of taking any side of any question. I wobble about and I am like the man of whom it is said in Holy Writ that "His last state was worse than his first."

"And, by the way, before I leave my own profession, I think I will tell you of a little incident that occurred to me in my early days to show you how hard it is for a stenographer, no matter how ingenious, to ever get relief from his professional troubles. I used to try it in the early days of my career, but now I know it is useless.

"Many years ago I had been reporting an exceedingly technical meeting. It was a convention of leather trade chemists, and they were talking about the various ways of treating leather chemically. When it was over I was in despair. I felt sure I could never make a transcript that would be of any use to anybody. Everybody in the room understood the subject but me. But a bright and happy thought came to my mind, and I decided that I would lose my notes. Having thus satisfactorily disposed of the difficulty, I rode gaily back to the hotel with the secretary of the association. This was the first time I had reported the convention—incidentally, it was the last. But this gentleman had been secretary for many years and was wise. He said, "Well, Mr. Leonard, I hope you won't be so unfortunate as the stenographer we had last year." I said, "What happened to him?" He said, "He lost his notes." Which convinced me, gentlemen, that there was nothing new under the sun.

"The professional shorthand writer must be constantly on his guard or he will develop into a cynic, a man who never does anything himself, but who can always see others' shortcomings. It is so easy to criticise. And I hope I shall not be guilty of this offense if I venture to make just this one criticism of your conventions. You pass too many votes of thanks:

there are so many that they lose their force. When a convention passes a vote of thanks to the hotel for doing what it has been paid for, it takes away from the value of a similar expression when it is tendered to "the great orator who has just addressed us."

"Your conventions are not unlike other conventions in that you have all kinds of speakers. There is the man, for instance (who frequently gets the greatest applause), whose principal claim to it really is a fine presence and a deep, full voice.

"The most trite things if said by the proper person in the proper way sound as if they were marking an epoch in human existence.

"At a recent convention (I won't say of what association) I heard a talk which lasted some 20 minutes, and which kept the audience spellbound. At its conclusion there was a perfect storm of applause, and yet if you read that speech in cold blood you will not find in it an original idea. A little poetry, a little pathos, and many well rounded sentences, with a magnetic personality, were what got those cheers.

"On the other hand, you hear speeches which do not hold the attention of the man in the gallery, yet when you come to read them in the official proceedings you find they are full of "meat." They are made by the men who are doing things.

"Right here let me say, gentlemen, that one of the best things your association ever did was to inaugurate the five-minute discussion of topics. At every convention now you hear young and comparatively unknown men get up and in a natural way, without any attempt at oratory, give their personal experiences, and the man does not live who cannot learn something from them.

"I could talk to you for hours on reminiscences of your conventions, but I must not take your time. As your reporter, I am a looker-on, a taker of notes. I think I could say no more pleasant or more truthful thing to you than the effect on my mind after attending 18 of your national conventions is to give me a very, very high opinion of your profession and the men in it.

CAN SELL YOU ANNUITIES?

We are the leading specialists in Annuity business.

Special terms for Annuities on impaired lives.

Good contracts for men who can sell our attractive Life, Endowment and Annuity policies.

SUN LIFE ASSURANCE CO. OF CANADA

HEAD OFFICE, MONTREAL.

ROBERTSON MACAULAY, Pres.

T. B. MACAULAY, Man. Dir.

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HAYES and BROOKS.....Pittsburgh, Pa.
F. C. HOLBECK.....Lansing, Mich.

NEIL D. SILLS.....Richmond, Va.

C. E. KREGLOE.....Baltimore, Md.
ERNEST W. OWEN.....Detroit, Mich.
E. E. WILKINSON.....Port Huron, Mich.

"I wish I could bring home to every life insurance man in the United States the good he can get from attending your conventions, and if I could do that I should feel that I had really accomplished something by speaking here to-night.

"What does a man gain, you say, by going to conventions? I cannot put it down in a table of figures. I think perhaps I can best express it by telling you what a newspaper man said to me once when I asked him to explain the reason for so many conversions at revivals. He had been attending a series of wonderfully successful meetings held by Gypsy Smith in Chicago. He was not a religious man; he was inclined—as all newspaper men are—to be cynical. I said to him, "What is your explanation for these men getting up by the hundreds and confessing Christ in these meetings?" He said, "It is psychology. They are closely surrounded on every side by people who are thinking intensely on the subject of conversion, and their minds are affected by it." He said this not in any sneering or unkindly way, but simply as an outsider who was not a religious man, stating what he believed from his observation to be the fact.

"This inoculation of belief in life insurance is one of the greatest benefits which a man derives from going to conventions. He meets so many successful men; he hears so much of their experience, that he goes away brimful of enthusiasm and new ideas, and if he will go every year he will be mentally rejuvenated, just as the man who goes to the baths every year, keeps himself in perfect physical condition.

"There are three classes of professions, the direct result of whose work is to make this world a better place to live in.

"First, the architects and engineers, who by their skill improve the material appearance of the earth. They give us houses to live in, offices to work in, means of transportation to travel by. The result of their labors is the most easily seen of any profession. You observe it as you walk along the street. It is forced on your attention every minute of the day. You cannot escape it.

"Second, the artists, educators, musicians and writers, who bring the beautiful into our lives, who minister not to our material desires, but appeal to our minds and our emotions, and help us to get the most out of our lives. This world would be a dull world without music or books or plays or paintings.

"Third, those whose mission it is to relieve pain and suffering and whose sole work in life is to fight the forces of evil. These are the clergyman, the physician and the life underwriter.

"Did you ever think of the many things the professions of medicine, life insurance and the Church have in common? There is no time when the services of all of these are not necessary. In war or in peace, in summer or in winter, in times of prosperity and in times of depression, there may not be much demand for lawyers or engineers or architects or singers or actors, but the services of the clergyman, the life insurance agent and the doctor are always needed.

"So long as we have bodies we shall need the doctor; so long

as we have souls we shall need the clergyman; and so long as there is a single human being in the world whom we can benefit we shall need the life underwriter.

"Now I have talked too long. I greatly appreciate the honor you have paid me in inviting me to this dinner, and I thank you for the opportunity to speak to you and for your very kind attention.

"I am but a passer-by. As I go through life I see men earning their living in various ways, and I congratulate you on the fact that you cannot earn a dollar that does not represent the desire of some man to do good to others. No life insurance man can make a living without having been the direct means of providing protection for the widow and the orphans and those in need of help, and I am not conscious of any sacrilege when I say as I look into your faces and realize the work you are doing, that I am reminded of that promise which we have all read:

"Inasmuch as ye did it to the least of these, ye did it unto Me."

During the course of the meeting National Vice-President Edward A. Woods read a telegram from former National President Henry J. Powell to the effect that the Senate committee had that day agreed to eliminate the provisions of the stamp tax measure which provided for a tax on all life insurance policies.

Richmond.

For the purpose of considering the advisability of a congress of the several local associations located in the State of Virginia, a special meeting of the Richmond association was held on the 1st inst.

W. P. Dodson, representing the Norfolk association, presided as chairman. On motion of Neil D. Sills and seconded by E. Mulford Crutchfield, the following resolution was passed:

RESOLVED, That it is the concensus of this conference that a Congress of Life Insurance men be held in Richmond early in 1915 and that the following associations be invited to participate: Roanoke, Lynchburg, Norfolk, District of Columbia, and the North Carolina association; and that the presidents of the various associations form a committee on general arrangements with power to appoint other committees.

Mr. Crutchfield was appointed temporary chairman of the Committee on Arrangements and was instructed to notify all the associations mentioned.

At the regular monthly meeting of the association held on the 5th inst. at the Business Men's Club, the following resolution was unanimously adopted:

WHEREAS, The question of the taxation of life insurance companies is now under consideration by the State Tax Commission, which has granted hearings and taken testimony upon which to base recommendations to the Legislature; and,

WHEREAS, The policyholders of the State will be vitally affected by any action adverse to their interests; and,

WHEREAS, It has been reported in the daily press that the

PACIFIC MUTUAL LIFE INSURANCE COMPANY

(LIFE DEPARTMENT)



Organized 1868

We have some good open territory in Arizona and will offer attractive general agency contract to right man.

Address the COMPANY, AGENCY DEPARTMENT, at Los Angeles, California.

—or—

Vice-President DANFORD M. BAKER, 1430 Insurance Exchange Building, Chicago.

commission is considering an increase in the rate to between 2 per cent. and 3 per cent., which would seriously affect the interests of our policyholders; and,

WHEREAS, We, who have for years co-operated in causing a constantly increasing number of our citizens to insure their lives for the benefit of their families and dependents, are charged with the responsibility of protecting their interests wherever possible; now, therefore, be it

RESOLVED, That we, The Richmond (Va.) Association of Life Underwriters, do lay before the said Tax Commission now deliberating these considerations and requests, namely:

The amount of reputable life insurance that is written in a community in proportion to its male population is a true measure of the thrift and moral worth of its citizens. An institution which is working so practically for social betterment should be encouraged by the Government and not hindered by burdensome taxation.

Owing to the many varieties of taxation to which we are now subject, particularly the municipal taxes, we ask that, with the exception of the tax which is paid for the support of the Insurance Department, all other taxes aside from the tax on premiums be abolished.

WE DO, HOWEVER, URGE STRONGLY, AND RESPECTFULLY ASK FOR ATTENTION ON THIS POINT, that the benevolent character of life insurance and the relief which the State derives when its citizens insure, entitles those citizens who are directly affected by the tax on life insurance to special consideration, and hence entitles life insurance to a large measure, at least, of relief from the usual burdens of taxation, and while realizing the necessity under existing conditions of some taxation, we do urge that the rate be made as low as possible, and that under no consideration should it exceed the average of the present taxes as shown by the returns made to the commission.

We suggest that with the normal increase in population and wealth of the State the premium income will be annually increased to such proportions that even with a substantial reduction in the present average rate, the amount of tax will increase each year to the benefit of the treasury and that there is no reason why the rate should be raised.

We submit also with great respect the desire of the Underwriters of Virginia to co-operate with the said State Tax

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THE
PENN MUTUAL
LIFE INSURANCE COMPANY
OF PHILADELPHIA

HAVE AN INSURANCE CONTRACT
TO PRESENT WHICH IN THE SUM
OF ALL ITS BENEFITS IS UNSURPASSED
IT IS BEST NOT JUST ONE WAY
BUT BEST ALL WAYS
AND ALWAYS

BACK OF IT IS A SIXTY-SEVEN YEAR
REPUTATION FOR FAIR DEALING
WITH ALL ITS POLICYHOLDERS WHETHER
CONTINUING, WITHDRAWING, MATURING
OR DYING

Continuous Income Policy

Guaranteeing \$50.00 per Month

Payable to the Beneficiary for Life

A minimum of two hundred and forty instalments certain, with additions from

Surplus Interest Earnings

Insured Age 45 Beneficiary Age 40

Gross Annual Premiums.....\$371.50

First Dividend current schedule.... 68.18

Net Premium for Second Year.....\$303.32

Dividends may at option of insured be applied to payment of premiums, or used to purchase paid up additions, or left to accumulate at interest.

Union Central policies have reserve selling force!

Your guns are not all fired after "talking up" the importance of insurance, and the service, strength and prestige of this company. If the prospect still wavers, you can close him with the sales-clinching point that features every Union Central policy—the extremely low net premium rate. Note the typical policy shown here.

We offer a splendid proposition to progressive men—write for details to JESSE R. CLARK, Pres., or Allan Waters, Supt. of Agents.

The Union Central Life Insurance Co.
OF CINCINNATI



THE LYONS PRINTING COMPANY

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Commission, and express the hope that its recommendations as to life insurance will be such as to command the earnest support of ourselves and of the thousands of policyholders in the State.

Tacoma.

The monthly meeting of the Tacoma association was held Monday evening, September 28, at the Olympus Hotel. There was a large and enthusiastic attendance. The meeting was presided over by Wm. Peterson, president.

Five names were submitted for membership in the association, which will be voted on at the next monthly meeting. The applicants are W. E. Buffem, First National Life Insurance Company; F. T. Hale, West Coast Life; Arthur Finley, Pennsylvania Mutual Life; John D. Dole, Prudential, and L. L. Tallman, Northwestern Mutual Life Insurance Company, and Geo. H. Helsby, Aetna Life Insurance Company.

Interesting talks were made by several of the members present. Before the meeting the members were asked to write any questions they desired to have answered and to place them in the question box. This brought out a number of topics of vital interest to all of the members present, and informal discussions of the questions submitted occupied a large portion of the evening.

A very optimistic feeling was manifested by the members present as to the business outlook for this Fall and Winter. The excellent crop conditions in this country more than offset any depression on account of the war, and as one member expressed it, "The war being 7,000 miles away can have very little or no influence on business conditions in this section."

Youngstown.

The September meeting of the Youngstown association was held on the 22d of that month and the principal speaker was Samuel Hankins, who gave a report of the various sessions and the important subjects considered at the Cincinnati convention. Three new members were admitted: Geo. H. Stone, Samuel P. Drake and O. S. Meriman.

The Public Demands

safe and sound
life insurance,
such as issued
by The Pruden-
tial.



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FORREST F. DRYDEN, President.

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Occasionally we have a General Agency opening for a capable life underwriter.

JOSEPH C. BEHAN, Supt. of Agencies

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Life Insurance Company**

Incorporated 1851

Springfield, Mass.

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Life Insurance Co.**
OF HARTFORD, CONN.

ISSUES BOTH

Participating and Non-Participating
Life and Endowment Policies

Also Non-Participating Term Policies

Agents will find that the policies of this Company cover a wider range and provide greater benefits than others, and are therefore easiest to sell.

Experienced and successful men, also successful men without life insurance experience, may find satisfactory opportunity with the AETNA LIFE. Address:

FRANK BUSHNELL, Agency Secretary,
HARTFORD, CONN.

or **T. B. MERRILL, Supt. of Agencies,**
1005 Insurance Exchange, CHICAGO.

Life Association News

OFFICIAL ORGAN OF THE NATIONAL ASSOCIATION OF LIFE UNDERWRITERS

Entered as second class matter, Feb. 4, 1907, at the Post Office at New York, N. Y., under the Act of Congress of March 3, 1879.

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NEW YORK, NOVEMBER, 1914.

No. 3.

OFFICIAL NOTICE

*To the Members of the National Association of
Life Underwriters*

Atlanta, Ga., Nov. 15, 1914.

THE TWENTY-SIXTH ANNUAL CONVENTION of the National Association of Life Underwriters, to be held in San Francisco on August 10-11-12, 1915, will offer unusual advantages to all who attend. In addition to the regular program, there will be the magnificent attractions of the PANAMA-PACIFIC INTERNATIONAL EXPOSITION and the pleasures of visiting the Pacific Coast.

Appreciating these opportunities, several Life Companies have decided to hold their 1915 Agency Meetings in San Francisco immediately preceding or following the National Convention. It would be a mutually advantageous arrangement if a majority of the Companies would do the same thing. This will give their Agents the benefit of attending the sessions of the National Convention, as well as their own Company meetings.

All Old Line Life Insurance Companies, which make a practice of holding Agency Conventions, are invited to have their next meetings in San Francisco on August 9th or August 13th, or some other date just before or after the National Convention. Such Agents will have the same cordial welcome, and enjoy practically the same privileges accorded to our delegates and alternates, save that of voting on such matters as must be decided by the official representatives from their respective Associations.

HUGH M. WILLET,
President.

Herbert R. Lewis, Chairman,
Convention Club and Attendance Com.
Rochester, N. Y.

THE SERVICE RENDERED BY LIFE INSURANCE TO THE BUSINESS WORLD.

Study of the Subject Under Three Heads: Service Through Its Assets, Through Its Annual Distribution of Newly Created Capital and Through Its Specific Contracts for Individual Business Concerns.

By Charles W. Scovel, Former President of the National Association and Associate General Agent of the Northwestern Mutual Life Insurance Company at Pittsburgh, Pa.

Mr Scovel has made many notable contributions to the literature of Life Insurance, but this article impresses the editor as being of particular value. It is a remarkably brilliant amplification of Mr. Scovel's address on BUSINESS INSURANCE as delivered at the Cincinnati Convention. If there is sufficient demand it will be printed in pamphlet form and will be sold at a nominal price.—Editor's Note.

Our broad question is this: What service does life insurance render to the business world? As I see it, there are three main branches of that service; those rendered by life insurance through its assets, through its current distribution and through its specific contracts for individual business concerns.

First, in the mere amassing of its assets and the investment of them, life insurance is rendering its first and fundamental service to the business world. It is creating capital. That service looms large at this time. The world's reservoirs of capital are now being emptied by the war at a faster rate than ever before. For years to come Europe will have no capital to invest over here. Progressive America, always borrowing and needing to borrow to press ahead, must now find some means of accumulating for herself more of the capital she needs and keeps needing more and more.

Frank A. Vanderlip, prime authority, in addressing a body of electrical engineers a year ago, declared that their business alone would need for its extension in the next five years over two billion dollars of capital, and that the railroads would need four billions, and States and municipalities a billion and a half. Here is seven and one-half billion dollars of new capital needed up to the end of 1918 for these three fields alone, to say nothing whatever of the countless needs of all the other vast fields of big business and little business.

America must accumulate at home more of this needed capital. That is the most fundamental economic need that confronts her. Her best way to do it is to speed up her life insurance agents!

Greatest Creator of Capital.

Life insurance is already America's greatest creator of capital; her greatest instrumentality for making capital out of money which would otherwise not be capital. There is a sharp distinction between mere money and capital; between wealth and capital; between earnings and capital; between circulation and capital. The spending money in a million pockets, or checking accounts, or bureau drawers is not capital; nor the hoarded money in a million old stockings or hiding holes. Only the money that is first saved and then invested is capital.

Our people are not born savers like the French; the saving habit has to be thrust upon us. That is the life insurance agent's job. America possesses nothing else at all comparable to this great army of a hundred thousand thrift preachers, circulating through the entire community, and doing more to promote individual savings among our spendthrift population than any other single influence.

The life insurance agents last year got twenty-five millions of us to set aside \$715,000,000 in premiums. That is a great sum, tremendously to our credit; but it could well be increased vastly. Indeed, considering that in the same year we spent half as much for smokes, just as much for candy,

jewels and motors, and twice as much for drinks, it really ought to be no trick at all to double these premium savings in the next few years, when this dire need for capital confronts our country as never before.

It is a matter of patriotic duty—to say nothing of family duty or self-interest. Individual thrift was to the French a patriotic duty after their former war with the Germans—and the whole world marveled at the result. We do not have to offer our lives as millions are doing to-day, but we should give our country the one service she most needs, by personally saving every possible dollar and investing it—through life insurance, savings bank or otherwise—so as to build up the capital upon which the business life of the nation depends.

Already this is being widely realized. The past fortnight has brought strong evidence from many quarters that a wave of economy, in both personal and business expenditure, is now sweeping through the land as never before. The savings banks have begun to feel its effects in more deposits and less withdrawals than a year ago. Right now is the time for the life agent to redouble his efforts.

Not Scattered in Small Sums.

As it stands that mighty pile of five billion dollars of life insurance assets already accumulated—money which, instead of being scattered in small sums, is now massed into the dynamic capital that improves our farms, builds our skyscrapers, finances our railroads, and extends our public works—that, gentlemen, is the first and fundamental service that life insurance is to-day rendering to every individual business man, whether he has ever paid a premium or not. It is actually making the modern conditions without which no business could thrive. It is insuring the life of the business itself.

The second great line of service that life insurance renders to the business world is its annual distribution of money. Last year, besides adding to those invested assets 249 million dollars of new created capital, and besides supplying a livelihood to its great army of agents and employees (making them good customers for the business world), life insurance paid to policyholders and their beneficiaries a total of 470 million dollars. In large part this was distributed in such individual sums as to be, not spent, but invested; that is, to be continued in the form of capital—capital created by life insurance and still doing the work of capital in the world. All the rest of that great amount is spending money in the pockets of customers. Any good business man will subscribe money to bring to his town a plant with a payroll of some tens of thousands a year. This policyholders' payroll of 470 millions a year renders just that service to every individual business man, whether he ever paid a premium or not. It is insuring customers for the business.

The Third Step.

We have therefore the assets, the capital that insures life to the business; and we have the annual distribution that insures customers to the business; and we have then the third step—long coming, but now coming fast—which is to insure the lives behind the business for its direct benefit. That is the particular service to a particular business concern that we refer to when we use the term, "Business Insurance."

Let us make quick survey of the fundamentals. Wherever some part of a business structure is upheld by a valuable man, death some day will bring upon that business the direct loss of his value as a dividend producing asset; also the consequential damage from the shock of that death; also the consequent needs, twofold, for replacement of that man by another as good, and for readjustment of stock or partnership interests and of all other elements that have to work together to make a smooth running, successful business organization. To meet this situation, spot cash will be the insistent requirement. It will be the only indemnity for the loss and the damage; the one best solvent for all the problems of replacement and readjustment that will spring up.

Now in all the other cases where a need for spot cash is foreseen—a mortgage or bond issue to mature in a given period, or a building or machinery to be replaced in such a time—a sinking fund is immediately started by every well

managed business, so as to meet that future cash requirement gradually, instead of waiting to put up or charge off the whole amount at once. Any clerk can figure out such a sinking fund; given the amount, interest rate and time of maturity. But who can figure out how much a year to put into a sinking fund to mature at a life's end?

Only life insurance can do that. It alone can take that single life into its scientific average with thousands of others, and name the definite annual sum that will inevitably produce the desired total at death, whenever it comes.

Thus business life insurance brings to the business manager his unique tool of finance; a sinking fund that will provide a certain sum at an uncertain time. It enables him to look ahead to meet this requirement of cash at death, precisely as he does all other foreseen cash requirements. That is modern accounting and finance. That is sound business management.

New Element of Security.

Nor does all benefit wait for death. Immediately upon taking the insurance, a new element of security is added; certainty is now substituted for uncertainty at the various points where death (due any day) will most affect the business. Present financial standing and credit are fortified, present earning power buoyed up, present value of all interests advanced,—with the insured man or men still alive and on the job.

Moreover, with each year, the business keeps building up, the loan value of the insurance, a growing cash asset—an asset kept on its own books; shown on its own statements—cash asset available at any time and for any emergency, entirely unconnected with death. That cash fund grows yearly, not only from its increasing share of each premium, but also from the compounding interest—and compound interest piling up for a lifetime works wonders.

Still further, this growing cash fund (set aside in another depository, but kept in reach as a quick asset) contains the great bulk of the premium money deposited, thus leaving but a small, decreasing part of the successive premiums to be charged on the books to expense account, or to be regarded as money taken out of the business.

A Bird's-eye View.

Now we have the bird's-eye view. Business life insurance renders six services. During life, it (1) immediately fortifies financial standing, and (2) gradually builds up emergency cash. At death, it supplies spot cash as indemnity (3) for direct loss, and (4) for consequential damage; and spot cash to help (5) in replacing the dead man, and (6) in readjusting everything to the new conditions. And the bulk of the premiums is not money spent, but money laid aside.

These six services cover the valuable life or lives, individually. There is, in addition, the now developing service of group insurance, whereby all the employees of a given business are insured as a body. This is taking a leaf from Germany's book, and profiting by the experience of her compulsory industrial insurance system—but doing it on the American plan, by private enterprise and voluntary action. Group insurance is yet feeling its way slowly. Doubtless the problem of its continuance or transfer for those who have left or changed their group will be worked out; doubtless its death benefits will be extended; and doubtless accident, sickness and old age benefits, here as in Germany, will be increasingly added—so as to develop in time a complete American form of industrial group insurance as one of the most widely useful achievements of American insurance brains.

Having the broad outlines now in mind, let us take a roving glance over some of the practical details that concern agents in our daily work.

Business insurance is as yet a new idea to most business men. By its novel uses it interests at once many who are not in the market when approached for personal insurance. It is spreading like wildfire. Scores of millions have been written during the last few years. Big corporations have been taking amounts ranging as high as \$1,500,000 on a single officer. Yet it is just as novel and needful—more so, indeed—

to the village shop that would be well protected by a thousand or two on each partner.

Not only do commercial and industrial concerns need and take it, but also those of a scientific or professional nature. Concerns devoted to any branch of engineering or contracting; to testing, analyzing, accounting; to law, medicine, dentistry. Brokers, bankers, real estate and insurance concerns, too. Indeed, in all such specialized lines, even more than elsewhere, personal ability, reputation and connections are apt to be vitally important assets.

Always Applicable.

The uses and applications of business insurance are just as various and manifold as are the business values of human life. It applies to every valuable life, whether of owner or of employee; whether valuable for managing, financing, credit backing, operating, buying, selling, advertising, "good will," reputation, popularity, connections, special skill, general experience, or what not. To silent partners, also, and to mere stockholders whose stock should not fall into undesirable hands.

Thus the death protection afforded varies with the endless variety of relationship and conditions. To fit each case is a separate study. But in every case alike, as a by-product under any level-premium policy, the business also gets financial protection. In countless instances, policy loans have tided over an unforeseen emergency; have even saved the life of the business itself at a crisis.

To build up a distinct emergency fund on deposit at interest, or in gilt-edged bonds, is of itself a sound business policy that is getting more and more general. For such a fund no custodian is quite so safe as a good life insurance company. The value is never below par, and nowhere else is the money available so certainly, so quickly and at normal interest, even when banks are handing out scrip and making no loans on any kind of security. The interest allowed is usually better than such funds get elsewhere—say $4\frac{1}{4}$ to $4\frac{3}{4}$ per cent.—of which 3 per cent. goes to carry the insurance and increase the cash fund itself, while the balance goes to swell the yearly dividends that may be either taken in cash or left to compound in additions or on deposit.

Importance of Cash Values.

Most men carrying life insurance have but a vague idea of their cash values. They don't intend to use them (a wise attitude) and they have no set of personal books on which this asset must be entered year by year, as it grows. A business concern, however, must keep books, and those books must show a yearly debit of premium deposited and yearly credits, both of dividend allowed and of amount added to cash value. The total cash value existing must appear as an asset in every statement of resources and liabilities. Moreover, when two or more lives are covered by separate policies (far better than a joint policy), the cash available for use when one dies includes not only the proceeds of his policy, but the loan value of the other's.

These main facts can be made plain on a single typewritten sheet, somewhat as follows:

Our Firm Can Provide:

- (1) Insurance payable at death of A, \$———; of B, \$——— and
- (2) Emergency cash, while both live, \$———, 2d year
\$———, 10th year
\$———, 20th year
- (3) Total cash at death of one (being his proceeds plus other's loan value)

	If A dies.	If B.
2d year,	\$———	\$———
10th year,	\$———	\$———
20th year,	\$———	\$———

BY DEPOSITING YEARLY \$——— (for so many years; with dividends off, or in additions; etc.)

Note that your *Emergency Fund* (kept credited on your own books and statements; a cash asset usable any time) contains:

- per cent. of your first 2 deposits
- per cent. of your first 10 deposits
- per cent. of your first 20 deposits

Your *expense* charge, year by year, is a much smaller and decreasing part of the yearly deposits; viz.:

- \$—— 1st year
- \$—— 2d year
- \$—— 3d year
- \$—— 4th year dwindling to Nothing

The business streets and office buildings and cross-roads groceries are full of prospects for business insurance—though they don't know it themselves. It is up to us to show them. How to begin? Don't begin at all, until really ready. The woods may be full of game, but you'd better learn to shoot straight before you go a'hunting. And don't ever go after grizzly bears with a bird gun.

Not for New Agents.

Business insurance is a line of work for the new agent to let severely alone. The most experienced writer of personal insurance should take it up only after special study, and then not give it too much of his time at first. One main trouble is that these cases are easy to open with the key of novelty; but are hard to close, if only because of the fact that two or more minds have to be got in line, and got there at the same time. They will listen to this new thing, but they have no prior preparation to understand its uses and how it will meet real needs of their business. In a few cases they have an understudy more or less capable of taking up the work of this or that valuable man, but hardly ever have they analyzed all the problems and questions that will spring up at his death. We must do that for them and show just how the life insurance cash will help them meet the whole situation in all its phases. To do this at all effectively we have to know a good deal about our own business and theirs, too.

We must be ready to put that situation before each of them in plain, pointed words. We should ask Jones, for instance, what would he be doing now if his partner, Smith, had died last week. How about Smith's work: could he find someone ready and able to do all of it, and how much would he cost? How about Smith's share in the business, and paying it out to his family? How about the banks and creditors of the old firm? How about his own capital and credit for the future? We must make Jones see just what his situation would be to-day, if Smith had really died last week—and then make Smith see the same situation reversed—and then make each see the situation of his own family seeking to realize his share of the business after his own death. For the rich corporation our main task is just the same—to bring home to each one concerned the actual problems that will spring up at the death of the valuable man or men, including himself. And in every case we must make plain the distinct value of the emergency fund, and the fact that the bulk of their money is not expense, but a quick cash asset earning interest.

Partnership and Corporations.

As between the partnership and the corporation—while the needs of both are the same at bottom—there are differences that must be recognized in our presentation of the subject. These differences are chiefly matters of law and we need to understand at least the main legal principles that distinguish these forms of business organization.

As to a partnership, the two main principles to bear in mind are: first, that each partner is personally liable for all firm debts; second, that death of one dissolves the firm.

The personal liability, with both partners alive and all going well, may never have given either a moment's concern. But death changes all that. It weakens the credit standing of the business by the loss of the dead man's brains and activity. In so far as his individual property has figured in the firm's credit, it is out of reach for the present. Nothing can be collected from his estate for a year, and anyhow it is all too apt to shrink in settling. Notes and accounts, easily handled heretofore, have to be all at once either paid or newly secured. Generally this means a severe strain on the busi-

ness; often its closing out and the wiping out of the survivor's individual property, as well. They do not have to wait a year to proceed against him.

Death is dissolution. The old firm is as dead as the partner himself. Its books are closed and all its affairs must be wound up, both with its creditors and with the dead man's estate. His representatives have the right to demand the full value of his share in cash—with no year's delay either. This means one of two things. Either the business must be sold out; always with sacrifice of its value as a going concern and of its whole future as planned. Or else, after satisfying the old firm's creditors and the dead partner's estate, the survivor must make a new start, with new capital of his own or of a new partner, and with new credit to establish with the banks and supply houses.

Business Hazard of Widow's Income.

In some few cases, by agreement or will, the dead man's interest in the business is to be continued by his widow or executor. That cuts one complication out of the immediate crisis, but it very rarely works out well in the long run, either for the family or the business. The income of widow and orphan ought not to be subject to business hazards; no court would ever authorize such investment of their funds. The survivor is sorely hampered by having to consult a widow or executor who knows nothing of that line of business and would rather hold fast than press forward. Anyhow, he sooner or later gets tired of building values for inactive owners, of doing all the work for half the profits. Where such agreement or will exists it would be far better, for all interests concerned, to tear it up and substitute business insurance that will enable the survivor to carry on the business for himself and give the family its full value as a going concern, in cash for investment in proper securities.

Turning to the corporations, we can pass over the relatively few whose stock is listed on 'change and held by many people, and confine ourselves to the very numerous close corporations—so-called because all or nearly all their stock is held by a few persons, generally the active men in the business. Whether the concern be old or new, big or little, rich or poor, these few real proprietors have very much the same relation to each other's interests and to the success of the business, as if they were a partnership.

Theoretically the corporate form secures limited liability to the individual. But personal endorsement or guarantee of the concern's paper or accounts is very common indeed; even in the largest concerns, which are apt to be the heaviest borrowers. And the credit standing of the corporation is often largely based on the credit of one or more of the individual members and their known readiness to give personal backing if required. Business insurance is needed both to protect the individual's credit value for the corporation, and to pay off any of its obligations outstanding at his death that his estate would be liable for.

Corporate Form Secures Perpetuity.

Theoretically, again, the corporate form secures perpetuity it is not dissolved by death. But mere corporate existence and healthy business life are two different things. The business is just as liable to loss or injury through the death of an important man, as if there were no perpetual charter. And the man who usually is only important is apt to die at the very time when he happens to be essential to the matters the uppermost.

Nor is the perpetual corporation free from the problem of the dead man's stock—a considerable block, perhaps, needed for control; which absolutely must not get into undesirable hands; which ought not to be left in inactive hands, but ought to be bought back, to help attract the best successor, or to be taken by the survivors or retired. Here the situation is the same as already described in the case of a partnership with the widow or executor continuing the decedent's interest; but with a further risk, peculiar to the corporation. No one could buy into the firm without the consent of all, whereas the corporate stock might be bought and voted by anyone, however undesirable or even hostile to the survivors.

The only safeguard is a proper agreement for purchase of the stock at death, signed now while all are alive, and backed up by taking business insurance to provide all or part of the money whenever death comes. Such an agreement could cover voluntary sale or withdrawal as well as death, and in that case the cash value of the insurance would help finance it. This far-sighted plan applies not only to the chief proprietors, but to valued employees who are allotted stock to be sold back when the life or the employment ends.

"Iron-Clad Agreement."

There used to be some doubt as to whether such agreements for a distant and contingent purchase of stock would be enforceable or not. Some of you may remember Mr. Frick's contest of the Carnegie Co.'s "iron-clad agreement." That question has been settled, for Pennsylvania, at least, by the Boggs & Buhl cases (213 Pa. St. 450; 217 Pa. St. 11) where a very broad agreement of this kind was enforced in all points, first against one side and then against the other. Though I find such agreements are gradually becoming more frequent, many lawyers and most business men are entirely unfamiliar with the idea. The era of the close corporation, now so generally replacing the partnership, is yet young, and but few have so far perceived the need for such agreements, as the one sure way to perpetuate the business by keeping it in the hands of live, enterprising owners. We will be doing a useful service by suggesting to corporation officers the wisdom of taking this matter up with their counsel.

Finally, before we are ready to present business insurance effectively, we must make a new study of the human nature element; must revise the notions as to a prospect's mental attitude that we have formed in soliciting personal insurance. For in certain respects this proposition involves a materially different association of ideas and set of mental habits on his part. We must realize and remember these differences.

The sheer novelty, while it arouses curiosity, also makes it hard for him to understand fully and remember clearly. We must try harder than ever to simplify, to give him the plain ones of the proposition. The novelty of it means also that, if he says he has already considered business insurance and decided not to take any, this may well be because he didn't fully understand the other agent or even because the latter didn't know how to present it completely and effectively. The particular service his company most needs may not have had his consideration at all.

Considered as a Business Man.

This proposition comes to him as a business matter. His purely personal attitudes and his family feelings are not so directly involved. It affects his business as well as himself. It affects the business itself, to which most of his time and thought are devoted. We must address him as the business man—often a very different personality from the family man or club fellow of the same name and features.

But the main difference in his mental attitude lies deeper; is often sub-conscious. We are talking to him about insuring the other man's life. This is profoundly different; it is life insurance that side-steps the thought of his own death. That thought is, to every man, most unwelcome; it is hard for him to get it clearly before his own mind; harder to keep it there for a cool, business-like study of the situation that will exist with himself blotted out. His own death would be a cataclysm, the crash of his whole world; he simply cannot think of it as being likely to happen. The death of his partner would indeed be a shocking thing—but, of course, it might happen any time.

If it is a case of insuring one life only, we want to talk first to his associates; not to him, though he be the head of the concern. They will see what his death would mean to the business more clearly than he will. If we talk to him first, we put him in the delicate situation of coyly admitting to us and then slyly insinuating to the others that his death, uninsured, would send the business to the demnition bow-wows.

When it's a case of insuring two or more lives, we want to

talk to each so that he will picture himself (naturally enough), not as the dead one, but as the survivor, applying the proceeds to meet the needs and readjustments caused by the other fellow's death. (In the remote possibility of his being the one to die, this protection to the business at that time would, of course, make his interest or stock worth more to his family.) Likewise, because another's death seems likelier than his own, the risks we point out will strike him more vividly, and the need of this business insurance will seem closer than the need of personal insurance usually does. And, in truth, where two or more lives are in question, the risk of one dying is far greater.

Moreover, the full money value of a life is most clearly seen—as a plain business matter, apart from all kinds of sentiment—when directly measured by the place which that life fills in a business organization. Particularly when each one is measuring the other's insurable value from the standpoint of being himself the beneficiary. Hence the relatively large amounts carried.

The Matter of Cost.

Here the matter of cost also has effect. The annual deposit is to come, not from his personal pocket, but from the funds of the concern. This is important, not only so much because he would spend its money more readily than his own, but because a growing business and improving methods have accustomed him to adding a new item to the budget as soon as he sees a good thing to do. Furthermore he sees for the first time that the life insurance premiums figure on the books so largely as cash deposited at interest, that the yearly decreasing balances charged to expense seem astonishingly small.

Brother agents, Business Insurance is barely beginning its tremendous service to the business world. Its spread and development are of vast import to society. In due time it is sure to become as universal as fire insurance is now; to be deemed absolutely requisite to business security. When generally adopted it will largely liberate the business world from the fear and uncertainty of death with its constantly recurring shocks, and will thereby directly and powerfully promote confidence and stability in all lines of business, just as sound, unshakable government would do for all Mexico and Central America.

"Fireside Campaigning" a Subject for Discussion at Eighth Annual Meeting of the Association of Life Insurance Presidents.

"Fireside Campaigning" as a means of stimulating adequate insurance protection for American families will be discussed at the eighth annual meeting of the Association of Life Insurance Presidents, which will be held at the Hotel Astor, New York, on Thursday and Friday, Dec. 10 and 11. One session of the convention will be devoted to this subject; states the preliminary announcement just made public by General Counsel Robert Lynn Cox. All those planning to attend the meeting are invited to take part in discussing this subject.

The discussion will center on a suggestion for co-operative effort on the part of life insurance men throughout the country to educate wives and mothers as to the necessity for protecting the family unit with sufficient life insurance. Not only are many wives indifferent to the need for this protection, but some actively oppose their husbands' efforts to obtain it. Therefore the solution of the problem involves a plan that will transform apathy into interest and antagonism into appreciation.

"Fireside Campaigning" is one of several subjects which the Life Presidents' convention will consider under the general theme of "The Common Interests of Life Insurance, Education and Business." As usual, invitations are being sent to the chief executives of all life insurance companies in the United States and Canada, to the Insurance Commissioners and to the heads of various insurance organizations.

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 Samuel Hankins, Youngstown, Ohio.
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 Oscar Palmour, Atlanta, Ga.

TRANSPORTATION AND CONVENTION ARRANGEMENTS

Hugh M. Willet, Chairman, Atlanta, Ga.
 Ernest J. Clark, Baltimore, Md.
 Henry J. Powell, Louisville, Ky.
 Edward A. Woods, Pittsburgh, Pa.
 Charles W. Scovel, Pittsburgh, Pa.

State Tax Commission of Alabama Decide Not to Tax Policyholders on Surrender Values—Action Follows Protest of the Association of Life Insurance Presidents.

Following the presentation of arguments by representatives of the Association of Life Insurance Presidents, the State Tax Commission of Alabama has announced that it will not insist on taxing life insurance policyholders on their surrender values. This announcement supersedes the ruling of the commission made on Sept. 26 that such cash surrender values were taxable.

After the original ruling was made the Association of Life Insurance Presidents asked for a hearing and this was courteously granted by the commission, sitting at Montgomery, Ala., on Saturday morning, Oct. 24. Attorney-General Brickell was present at the hearing. The association was represented by its attorney, Alfred Hurrell, and also by local counsel, Forney Johnston, of Birmingham. After a protracted hearing a decision was reached by the commission on Saturday afternoon and the following announcement made to the local press:

"The State Tax Commission to-day unanimously decided, with the approval of the Attorney-General, that it will not insist on the payment of taxes by policyholders on life insurance policies which have a cash surrender value. In view of the decisions of the Supreme Courts of Indiana and Minnesota and the opinions of the attorney-generals of New York, Ohio and Pennsylvania, construing statutes similar to ours, which decisions and opinions hold that such policies are not taxable, the commission made the above ruling."

The original ruling of the commission, which was issued to the County Tax Commissioners and which is now rescinded by the above announcement, was as follows:

"County Tax Commissioners: After a formal and regular session of the State Tax Commission, and after consultation with the Attorney-General, at which members of the Tax Commission were present, it is the unanimous opinion that all insurance policies with a cash surrender value were taxable. The question having been carefully considered, the State Tax Commission and the Attorney-General made the following ruling:

"All insurance policies with a cash surrender value are taxable, either as solvent credit or under sub-division 14, Section 2,082, of the code, unless the amount of such cash surrender or a part of such cash surrender value has been borrowed from the company issuing the policy. In a case of this character the policy is taxable to the owner for the difference between the amount borrowed and the cash surrender value of the policy. If the entire amount has been borrowed, the policy is not taxable to the owner at all."

THE GREAT FAULT IN TALKING TOO MUCH.

While the Practical Work of the Life Insurance Agent Consists Entirely of Talk, He Should Endeavor to Reduce the Quantity and Improve Its Quality.

By Forbes Lindsay, Associate General Agent, Pacific Mutual Life Insurance Company, Los Angeles, Cal.

The common formula for success is expressed in a single word—WORK. We are told that if we will work hard enough we may accomplish anything. The idea appears to be that extent of achievement depends upon the *degree* of labor directed toward it.

This proposition is so wide of the truth that it will not apply to even the simple task of ditch digging. You may strive like a Titan without doing anything out of the ordinary. Thousands of men are sweating blood in the hopeless effort to make bricks without straw. The crucial factor in any endeavor is not the amount but the *quality* of the work devoted to it.

Speech is the medium through which the salesman transacts his business. In most instances there is an auxiliary factor in the form of some material exhibition or demonstration. Automobiles, cash registers, office devices and household appliances afford opportunities for enhancing interest by means of the senses of sight and touch. The life insurance agent enjoys no such aids. He must make a direct impression on the mind by an appeal to imagination. He must rely solely upon verbal presentation to secure his end.

The practical work of the life insurance agent consists entirely of talk. Now, no one will contend that the more he talks the more effective will be his work. In fact, you all know that the converse of this statement is nearer to the truth. One of our chief faults is talking too much. What we need is to talk less, but to talk better—to reduce the quantity and improve the quality of our talk.

The great majority of life insurance canvasses are weak and defective because the presentations are unscientific and unsystematic. That is to say, they are not based on any definite principles nor any preconceived plan. The agent enters upon an interview without intelligent forethought and depends on the exigencies of the occasion to control the conduct of the canvass. Under such conditions it is not strange that his talk lacks force and directness; that much of it is inconsequential and, not a little, actually detrimental to his purpose.

This morning we will enter upon a short series of discussions relating to "telling talk." The purpose will be to make our presentations more precise, our arguments more effective and our work more productive.

At the outset let me impress upon you the fundamental truth that methods you employ in your business, to be successful must be natural. The processes you practice in a canvass should be the outgrowth of your habitual mental attitude. You cannot be slack in a certain respect during one-half of the day and efficient in the same respect during the other half. If your talk is to be telling in your work, it must be telling in your leisure.

You can only acquire the faculty of talking business effectively by forming a habit of *always* talking effectively. The observance of a few simple rules will insure the desired result.

Don't talk merely for the sake of making conversation.

Never make frivolous and aimless remarks.

Invariably put thought behind your words.

Be interested in your subject. If you cannot, discussion is futile.

Take pains to say exactly what you mean. Cultivate clarity of thought and terseness of speech.

No matter how unimportant the occasion, nor how trivial the subject, strive to convince or influence your hearers by our statements.

These rules may almost be summed up in the one sentence: Be frank, enthusiastic and earnest in thought and speech.

The first step in making talk effective is a realization of the fact that it is no more than the vehicle for conveying ideas. A musical voice and well-turned phrases are of no account except as means of conveying thoughts. A clear-cut conception of the idea which you wish to impress on your

prospect, constantly kept before your mind, will produce pointed and telling talk. The essential thing is a definite, well-formed idea. If you have that the verbal expression may be left to take care of itself. Obscure statement is the result of mental mistiness.

In talking business you should have at every moment a clearly defined object before your mind. The ultimate object of a canvass is to secure an application, but it is to be reached only through several intermediate stages, each involving a separate and distinct object. Too often the agent has only one clearly defined idea—that of closing his prospect. His thought is obscure as to the successive steps leading to that end. As a consequence he plods toward his goal in a disorderly and haphazard fashion. His progress may be likened to that of a man who crosses a stretch of country by compass as compared with that of another who travels under the guidance of a road map.

It frequently happens that a man declines the offer of one salesman and accepts a similar offer from another. The reasons for this are various and may be found in the personality of the salesman or the temporary mood of the prospect, but in most cases the success is due to superior presentation—to telling talk. One agent may present a policy without as much as exciting attention, while another will present the same policy in such a way as to arouse the keenest interest. Why? Because one has but a hazy idea of his proposition and his purpose, and consequently expresses himself vaguely and indirectly, while the mind of the other is perfectly clear as to what he has to offer and as to the way which he will create desire for it.

This condition of mental preparedness can only be secured by planning and rehearsing interviews. The telling talk of the minister, the lawyer, the promoter or the salesman has been thought out and gone over time and again. Such preparation should not be confined to specific cases. It is the best possible practice for strengthening the canvass in general. This is peculiarly true of our work. Our propositions are constant and the objections of our prospects so much alike that we can, if we will take the trouble, train ourselves to make a perfect presentation, and to meet almost any development which may arise in the course of a canvass.

There is nothing difficult or complex about this preparation. The first step in the process is a systematic arrangement of your policy presentation; the neat classification of the arguments pro and con. In a short while you will find yourself in possession of standard presentations and standards to conform to cases in which you have particular information regarding your prospects. It will not do, however, to allow your talk to become stereotyped. Your policy presentations and arguments should be kept fresh by constant improvement. Thought should be devoted to new arguments, pointed phrases, striking illustrations and other means of making your talk more telling.

Local Associations Desiring a Speaker of National Prominence Should Confer with Prof. W. F. Gephart, of Washington University.

Prof. W. F. Gephart, author of "Principles of Insurance" and "Insurance and the State," professor of economics in Washington University, St. Louis, and representative of the National Association of Life Underwriters at the national tax conference in Denver, is an able and forceful speaker, as well as writer, on life insurance topics and is deeply interested in the work of the association and the institution of life insurance.

Edward A. Woods, vice-president of the association and chairman of the tax committee, has made arrangements with Professor Gephart whereby, when consistent with his duties to the Washington University, he can be secured to speak before associations or other public bodies on life insurance, the inviting association, of course, defraying his expenses and, we would suggest, giving him an honorarium. If several nearby associations could arrange for successive nights or days for their meetings this expense would be made less. A speaker, writer and publicist of such eminence would make a great acquisition to meetings and interest college men particularly.

Life Association News

A MONTHLY JOURNAL DEVOTED TO THE INTERESTS OF ALL
LIFE INSURANCE AGENTS.

PUBLISHED BY THE
NATIONAL ASSOCIATION OF LIFE UNDERWRITERS

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ARTICLE II OF THE CONSTITUTION.

"The object of this association shall be to advance the best interests of the cause of true life insurance."

Address all communications to

EVERETT M. ENSIGN, Editor and Manager.

Telephone, 4244 John.

LIFE ASSOCIATION NEWS, 56 Pine Street, New York City.

This newspaper is owned by the National Association of Life Underwriters, unincorporated, a voluntary association; Hugh M. Willet, president, Fourth Nat. Bank Bldg., Atlanta, Ga.; J. Henry Johnson, secretary, Lee Bldg., Oklahoma City, Okla.; H. Wibirt Spence, treasurer, 306 Penobscot Bldg., Detroit, Mich.

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A RESOLUTION WITH A PURPOSE.

How difficult it is to find an institution which is uniformly and consistently excellent throughout its entire purpose and plan of service. Obviously, everything of a man-made character, powerful though it may be, has its imperfections and limitations. The word "perfect" has by reason of our own restricted vision been given a false value.

Of all the factors connected with our earthly existence from an economic viewpoint, the institution of Life Insurance stands foremost as most deserving the superlative to which we have just referred. But, paradoxical as it may seem, the most important branch of its service, the soliciting force, is often the object of much deserved criticism. A company is known by the agents it keeps, and in all truth it may be said that a company is also known by the agents it does not keep.

Life Insurance, especially Life Insurance as sold by companies operating under the New York State law, cannot be misrepresented—except by a dishonest and unscrupulous agent. Legal Reserve Life Insurance, per se, is sound, safe, absolutely reliable and unequivocal in its contracts. Unfortunately this cannot always be said of the agent. And it cannot be denied that the solicitation of Life Insurance will never attain a strictly professional basis until this class of agents are divorced from their calling.

No matter what may be our claims as to professionalism, the ultimate decision is in the hands of the public. It should not escape our attention that, where standards of efficiency are constantly reaching higher levels in the business and professional world, it is absurd to imagine that an exception will be made in the case of the Life Insurance agent; that he will be accorded high honors without passing the tests given in all other lines of human endeavor. There are thousands of agents whose knowledge of the business and whose high standard of field ethics render them eligible to public recognition on a professional level, but with the public, to a great extent, a Life Insurance agent is a Life Insurance agent, and as such he is very often viewed with suspicion, unwarranted though it undoubtedly is in most instances.

Is there any practical solution to the matter? There is, but the success of the plan depends almost entirely upon the sincerity of purpose and the good faith of those who are instrumental in its consummation. We have reference to the resolution introduced by former National President Chas. Jerome Edwards and unanimously adopted at the Cincinnati Convention.

Who are those who must co-operate in driving from the ranks, for the protection of the public as well as for the protection of the legitimate agent, the crooked and unworthy misrepresentative? The insurance commissioners, the home-office officials of the various

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companies and the general agents and managers. The Association of Life Insurance Presidents must also lend its assistance and without doubt much can be done by the American Life Convention.

Among the recommendations embodied in the resolution are the following:

"No new men be employed hereafter without definite inquiry as to their character and the quality of their business from their last two employers."

"That when an agent's employment is terminated or cause we recommend the insurance commissioners be requested to at once cancel his license or certificate of authority."

"That no new license be issued to any agent already holding a license, or whose license has recently been canceled, without inquiry by the commissioner of the company for which the agent was last employed, so framed as to clearly disclose whether or not such agent has settled his net premiums with said company and conducted his business honestly and without misrepresentation."

The resolution requests the co-operation of the various individuals and organizations interested in Life Insurance either in an administrative or supervisory capacity. The resolution as it was adopted and taken in connection with Mr. Edwards' remarks in relation to it may be regarded in the light of a "gun-shot" prescription of an old-time country doctor, but if intelligently applied it should prove vastly more effective in its results. The agent guilty of dishonest practices has no choice in the matter; he will be compelled to take his medicine and punitive measures may be adopted should he show a disposition to evade or escape the consequences of his wrongdoing. Then again, any one ingredient is alone sufficient to produce an immediate and lasting salutary effect. This panacea, if it is possible to compound one, offers to the Life Insurance world a purge of wonderful efficacy.

All this should not be considered as an admission of weakness on the part of the National Association acting through its constituent local bodies. The propaganda of the National Association has been pacific,

yet progressive; educative rather than coercive. Its function has been to recommend and to suggest; by the very nature of its constitution it could not, except in rare instances, demand nor enforce. Every opportunity has been given agents to transact business with strict regard to a high sense of business honor, but the resolution takes into account and is directed against that class of agents in dealing with whom "patience ceases to be a virtue."

Mr. Edwards sketched the type to which we refer in this manner:

"There have always been in the business, or hanging on its edges, fattening often on the work of worthy agents, the men who have not meant well—the men who had just as soon misrepresent as not, if it helps them pocket a commission; who will twist a policy, greatly to the policyholder's loss, if it is profitable to them; whose first idea of meeting competition is not to discuss policy conditions or the rate, but to offer a rebate and so seek to steal the business—men who can be classed with rogues and criminals because of their practices in procuring business on false representations, failing to remit net premiums, pretending to work for two different companies at the same time and taking financial support from each without the knowledge of the other, and in general operating so as to bring discredit upon the business and the honest men connected with it. These men the associations have never reached and never will reach—unless it be through making them feel the weight of the criminal law, or through some such co-operation between the companies, the insurance commissioners and the upright agency men of the country."

The plan of procedure suggested impresses us as being one of the most important recommendations ever adopted at a National Convention. Above all, it is eminently practical and should be regarded as one of the first steps in establishing a uniform standard of qualifications for company representatives. It is the precursor of an era wherein the Life Insurance agent may justly claim a long-deferred honor, and where none may deny him his rank among professional men.



A WORD ON CIRCULATION.

Lincoln K. Passmore, Vice-President of the Penn Mutual, Commends "Life Association News" to Agents of His Company.

Just a few days ago a man from Massachusetts wrote us, enclosing five two-cent stamps and requested us to mail him a copy of the May number of the NEWS. The last sentence of his letter was, "I expect to send in a yearly subscription soon." The actual cost of a copy of this particular number of the NEWS was eight and one-half cents. It took a two-cent stamp to reply to the gentleman congratulating him upon the magnanimous spirit which promoted such a noble purpose. At the same time we might have intimated that, with such reckless propensities and prodigal proclivities, he should earnestly endeavor to keep away from the White Lights of Broadway. It is just such large-hearted, broad-gauged souls that come to grief in the Big City. They know no limit.

But, at any rate, eight and one-half cents plus two cents equals a certain amount, and as we dispose of single copies of the NEWS at ten cents a copy, we have been trying to figure out the profit.

But seriously, the NEWS should have a larger circulation. And the one best way to attain that end would be for the general agents and managers who are interested in association work to interest their solicitors in the paper. The NEWS certainly must be worth one hundred cents a year to any life insurance man. If sub-agents are reluctant to subscribe, would it not be a good idea for the general agents or managers to send in club subscriptions?

In this suggestion lies the real secret of a much larger circulation. Perfectly aware of the enthusiasm with which this idea will be received, we wish to announce that, for the present at least, we shall be compelled to refuse to accept all club subscriptions from general agents or managers which total over \$200. Here is something good along these lines from the pen of Elbert Hubbard:

I know hundreds of high, prosperous business men, manufacturers, dealers, jobbers, craftsmen, and I cannot recall a single instance in which the mentally successful man does not read his specialized paper. He subscribes for it and he pays for it promptly. When you subscribe for your trade paper and assimilate it, you are uplifted, inspired, given courage, pep, intellectual vim and vigor and enough trade information to make you free from the trials and tribulations which beset the man who "doesn't know." These things all have a direct influence on the bank and mental balance. The trade paper binds everybody in the business into a fraternity, which spells length of days, because it "serves" and its service is based on specific knowledge.

Once in a while a company officer feels so kindly toward the NEWS that he is unable to restrain himself, so he gets up in meeting and talks right out. In the Quaker City the spirit recently moved Vice-President Lincoln K. Passmore, of the Penn Mutual. Mr. Passmore's comment is not composed of fulsome and flamboyant generalities which generally be-

speak insincerity. It is a dignified statement to the field of his company, and we consider it as one of our choice encomiums. An excerpt follows:

It is to be regretted that the LIFE ASSOCIATION NEWS does not reach every person, be he officer or agent, who has any useful connection with "the best business in the world." Its circulation, while not at all meagre, is largely among general agents of experience and influence who wish to recognize the admirable work done by it to promote sound life insurance. It would be too much to say that it does not reach the solicitor—the man in the field who needs information, instruction and general helpfulness—for certainly a great number of these turn to its pages with much profit. Nevertheless, there are thousands engaged in constructive work who rarely, if ever, see it. In our own ranks we can count many who need its aid, and to whom we do not hesitate to commend that paper as worthy of their study.

A Few Remarks on Verbosity.

The solicitation of life insurance is a matter of well-developed vocal chords and an extensive vocabulary—sometimes. Instances are not rare where both are exercised much too frequently. It is claimed by many eminent authorities that an agent often talks a man into buying insurance, and at the same interview talks him out of it.

The bane of verbosity is a subject that should be given serious discussion at agency meetings. Indirectly it will receive considerable attention at the San Francisco convention. Vice-President Edward A. Woods has offered a prize of \$25 in gold to the delegate who presents the best selling argument in three minutes.

Bassanio said to Antonio, "Gratiano speaks an infinite deal of nothing, more than any man in all Venice. His reason is as two grains of wheat hid in two bushels of chaff: you shall seek all day ere you find them; and when you have them, they are not worth the search."

Following is a blue ribbon example of epistolary verbosity on the part of an insurance agent which admirably explains the point we have endeavored to emphasize. The letter was sent to us from the Pacific Coast, and for obvious reasons names have been deleted.

Take it home and try it on your Victrola.

Dear Mr. _____

Since my last interview with you, and before I depart for Los Angeles, I am persuaded to feel that I may owe you an apology for any marked forwardness that I may have professionally displayed in the course of my solicitations embracing your proposed application for insurance with the above company; and in discharging my debt I cherish the hope that the consciousness of the ethics of your own profession would extenuate a fault, the indulgence of which has been conventionally recognized by all salesmen as a cogent necessity.

Indeed, I must confess that in soliciting your consideration with any degree of effectiveness one must possess the rare resources of a veteran salesman. Recognizing

that fact and appreciating your own eminent professional worth, I gave and manifested every art and resource of salesmanship that I was possessed with. It is for you to measure and appreciate its worth. Believe me, if ever a salesman revealed the naked truth concerning the virtues and vices of his wares, I so endeavored frankly to display the merits of the various and confusing policies to the best of my knowledge.

Ah! my dear sir, it is not the experience of many salesmen to secure an application without being able to enjoy its fruits. Nevertheless, I will leave it to your own generous impulses to appreciate its laborious contemplation. Convey to _____ and the rest of your associates my earnest and sincere esteem, and accept my kind salutation. The uniform and generous courtesies manifested by all of the personnel of the _____ is a remembrance that I will ever cherish. Again I salute you and hope for a response. Yours sincerely,

The Elimination of the Stamp Tax.

President Woodrow Wilson signed the War Revenue Bill October 22. The bill is a tax which is divided into four schedules; an excise tax on liquors, a tax on tobacco, flat taxes on certain special businesses, and a stamp tax. It was the Stamp Tax that Life Insurance men were particularly interested, for as the matter originally stood it was proposed to tax life insurance policies at the rate of eight cents per \$100 of policy. This would increase the present indefensible burden of \$13,000,000 by \$2,150,000.

Probably the members of all local associations are now aware that when the measure went into effect, the Stamp Tax on Life Insurance policies was missing from the schedule. The action of the Cincinnati Convention in relation to that matter will also be readily recalled, as will the fact that Vice-president Edward A. Woods, who is also chairman of the Taxation Committee, sent a telegram to the president of every local association, asking that members of such bodies emphatically protest to their Senators against the proposed additional imposition.

It is now gratifying to learn that forty-three associations responded to Mr. Woods' appeal, and at least three hundred twenty telegrams were sent to the various senators.

Modesty may have certain virtues, and just at the present time certain prominent men of the National Association who were actively identified with the effort to secure favorable action at Washington, are reluctant to acknowledge that they are largely responsible for the successful outcome of the matter. They wish it to be understood that they are so thoroughly satisfied with the results that there is no inclination to arrogate to themselves a meed of praise which might dim the merit of the lawmakers at Washington, in whose hands the merits of all arguments were weighed, and with whom rested the responsibility for final action.

This attitude is to be commended, and the News must respect their opinions, but at the same time we note that there have been several references to the matter in the insurance journals.

Following are several paragraphs clipped from contemporaries which reveal the opinions of onlookers. While we do not feel at liberty to state the case as we see it, there should be no objection to a survey of the facts as other people see them. For instance, Lincoln K. Passmore, vice-president of Penn Mutual, said in a recent letter to the agents of his company:

Looking at the recent action of the Congress of the United States with respect to the proposed tax on life insurance policies, there is no reason to despair of the intelligence of our lawmakers where there is a systematic effort to enlighten them as to the nature and effect of a proposed tax. Indeed, there is reason for great encouragement to pursue a similar course with all legislative bodies and by concert of action indoctrinate the members with sufficient economic knowledge to understand the reasonableness and verity of our contention that a tax on Life Insurance is a

tax on thrift. It may then with some confidence be possible to escape further burdens and gradually be relieved of those onerous and oppressive ones that now exist.

Many influences were exerted at Washington recently and the victory may not be appropriated by any. It is difficult, if not impossible, to name them in the order of their importance and effectiveness, and no attempt is made to do so. Perhaps the largest body in point of numbers was the National Association of Life Underwriters, and it made itself felt widely through the wise protests that it adopted, and to the publicity given to these in any congressional districts, and the appeals made to their representatives by numerous agents thus armed.

The *Insurance World* has this to say: Life insurance men have made considerable headway in impressing upon State and national legislators the doctrine of "hands off" when taxation matters are under consideration. Recently, largely as a result of the earnest endeavors of the committee on taxation of the National Association of Life Underwriters, of which Edward A. Woods is chairman, Congress decided to eliminate from the war revenue bill any additional taxation on Life Insurance.

The *Western Underwriter* is liberal and emphatic in the praise which that journal thinks rightfully belongs to the National Association. Under a caption reading, "Credit for Abandonment of Stamp Tax Belongs to National Association," it discusses the situation in this way:

The taxation campaign of the National Association of Life Underwriters is already beginning to bear fruit. To no other influence can be ascribed the prompt withdrawal by the national administration of the plank in the war tax platform relating to life insurance.

No one can read the address of Senator Lawrence Y. Sherman, of Illinois, on taxation, before the Cincinnati Convention, now being printed for wide distribution, without coming promptly to the opinion which the sponsors for the war tax evidently reached after considering the objections presented by life underwriters all over the country. The conclusion must be inevitable that Life Insurance should be only lightly taxed, if at all, if the theories and policies now being exploited by most of the politicians and leaders of all parties, under which such measures as workmen's compensation, mothers' pensions, old age insurance and the like, are to be accepted.

The work of the life underwriters associations in securing the withdrawal of the proposed stamp tax on policies was prompt and effective.

The *Insurance Field*, in its current number, refers to the action of the members of local associations, under the leadership of Mr. Woods, and makes the following interesting statements:

An interesting point in connection with the recent proposed stamp tax on Life Insurance is that there were an estimated total of 415 special telegrams sent to Washington from various life underwriters associations urging the removal of the proposed tax. Edward A. Woods, chairman of the committee on taxation of the National Association, recently sent out requests to the various local associations asking for the number of telegrams sent by the different associations. Out of this total Georgia led the list with fifty. Speaking of the repeal of the measure, Senator Hoke Smith said that it was this consensus of opinion on the part of the insurance men of the country that was responsible for the action of the Senate committee. He said that the Democratic members of the committee realized that they were not thoroughly posted on insurance matters and were content to accept the opinion of men whose chief interest in life was the insurance business, which is a confession full of good promise.

A LESSON TO BE LEARNED FROM EUROPE.

By R. J. Mix, Manager Prudential Insurance Co., New York City.

I wonder if it has struck you as forcibly as it has me that life insurance seems to be in the very air these days. Somehow or other, it seems to be right "on the surface," as it were much more so than usual, and I've figured it out that the reason for this is that you and I and everybody else are being tremendously impressed—sub-consciously perhaps—by the awful circumstance that a little way to the east of us the sun sets every day upon the still bodies of thousands of human beings who rose up in the morning strong and hearty and full of hope. To read of such awful happenings from day to day is bound to make a man think, and think seriously. Whether he wants to or not, it makes him realize what an uncertain thing is human life, and if he's a half-way decent man, he's pretty apt to do some soliloquizing along these lines:

"What an awful pity that those good men had to go down to death! And their wives and children and sweethearts—their dependent fathers and mothers—what a cruel blow to them! Who's going to look after them? And, come to think of it, I, too, am mortal—I don't expect to die because of a bullet wound or bayonet thrust, but somehow—some time—I know that the Messenger will get me! What then? How about my wife and children? How about my dependent parents? Who is going to look after them? Will I leave enough to keep them decently? What will be the income from my estate?"

I am fully persuaded that thoughts like these are passing through the minds of hundreds of thousands of American citizens at this time, and if I'm right about it, what a wonderful opportunity has come to us life insurance men—we who are the only people in the world who are in a position to furnish an absolute, unfailing remedy for the man who makes that kind of a self-analysis and finds that there's something wanting—something wonderfully important wanting.

You and I know that every American citizen who will purchase a monthly income policy can, beyond all question, drive want or financial distress from the door of his widow, his orphans or his aged parents.

What a splendid fact that is! There's nothing new about it, but I'm contending that at a time like this, this great fact rises up and assumes a prominence and an importance that ought to make your work easier than ever before.

When the sun shines and the flowers bloom and prosperity walks abroad, men are lulled into a false sense of safety and security. Death, for them, is far off in the future—nothing threatens the peace or the welfare of themselves or their families—but when some mighty catastrophe like this foreign war—this horrible wholesale murder of human beings—shakes the whole world, why then it's different.

I tell you, friends, this ought to be the greatest harvest time that you've ever known. You ought to be prouder than ever of your noble vocation. You ought to rejoice every minute of every day because of the fact that you are in a position to guarantee the greatest and best of all panaceas for the relief of those ills that universally afflict the families of men who have found it impossible to build up an estate, but who have finished their labors and passed out into the great silence.

Life insurance is in the very air these days.

**KEEP THESE DATES IN MIND
AUGUST 10, 11 and 12, 1915**

**The Twenty-sixth Annual Convention of
The National Association
SAN FRANCISCO**

What the Local Associations Are Doing

Life Association News has no paid correspondents. We depend entirely upon the secretaries of local associations to send us stories of all meetings of their respective associations. If an account of the last meeting of *your* association does not appear in this department, ask the secretary of your organization why he did not send us the particulars.

Immediately after each meeting, on the same day if possible, secretaries of local bodies should send us a full account of the business transacted, including copies of all speeches, or extracts from the most important of them.

Akron.

The regular October meeting of the Akron association was devoted largely to reports of the delegates to the Cincinnati convention. Among those who attended and who gave the benefit of their impressions were F. C. Dibble, M. Wade, Rubright, H. M. Coulter and W. W. Peters. A movement was started to increase the membership, and an effort will be made to enroll every life underwriter in the city. With this object in view, all offices will be canvassed by a committee appointed for that purpose.

Battle Creek.

The Battle Creek association held an election of officers on the 2d inst., with the following results: President, F. W. Calvert, first vice-president, C. E. Rickabaugh; second vice-president, G. E. Brown; secretary and treasurer, Lee A. Dudley. Plans are being made for an active season in association work, and steps are being taken to have a large attendance at the next meeting.

Boston.

The Boston association held its annual meeting and election of officers on the evening of October 27 at the American House. The attendance was very satisfactory, and the members present expressed themselves as being well pleased with the entertainment provided. The following officers were elected for the ensuing year: President, Vernon B. Swett, Provident Life & Trust; vice-presidents, Alexander S. Browne, New York Life, and Paul S. Burns, Mutual Life; treasurer, Edward Marsh, John Hancock; secretary, Leo F. Foss, Berkshire Life. Executive committee, Clarence C. Miller, National Life, Vermont, chairman; Seldon D. Barrett, Metropolitan; Joshua B. Clark, State Mutual; Herman E. Goedecke, Northwestern; J. Everett Hicks, Union Mutual; Frank H. Stratton, Equitable. At the business meeting preceding the banquet retiring President Clarence C. Miller briefly thanked the members for their co-operation and support during the year and introduced President-elect Vernon B. Swett. Mr. Swett acknowledged the honor paid him and touched upon the opportunity for improvement in local conditions.

Retiring President Miller touched, in his address, upon the growth of the association from 179 last October to 228 at the present time.

F. H. Stratton talked upon "Publicity and Education," calling particular attention to the results which had been secured.

from newspaper advertising by the Puget Sound association.

Walter L. Tougas, who distinguished himself at the Cincinnati Convention by introducing an old French song, "Gentile Alouette," gave his impressions of the social features of the convention.

A. F. Carter, of the Northwestern Mutual Life, delivered an address on the "Taxation of Life Insurance Policyholders." He stated that life underwriters were very fortunate in being able to obtain data on taxation very easily—one source being the bulletin entitled "The Taxation of Life Insurance Policyholders," by Vice-President Edward A. Woods. In speaking of conditions in Massachusetts he said in part: "Do you realize that the taxes amount to \$70 for every \$1,000 death claim paid? Massachusetts collected \$1,144,409 and the expenses of the department were only \$72,825. In other words, \$1,071,584 was what Massachusetts used for purposes other than insurance. A large part of this was from life insurance policyholders.

"This shows that we have a duty to perform at home. If we will perform this duty, and accomplish it, we will have engraved the name of the Boston Life Underwriters' Association where it will never be effaced. Massachusetts has always been known as a pioneer in matters pertaining to insurance. Now let her reiterate her position. The insurance commissioners appreciate the situation, but they cannot do everything themselves."

"A Business Man's Impressions of Life Insurance" was the subject of the address of George H. Smith, former president of the Boston Chamber of Commerce and a director of the John Hancock. Vernon B. Swett, the president-elect, in expressing his appreciation of the honor conferred upon him, said in part:

"I am proud of the type of man who succeeds in our business to-day. I am proud to be in a business where I can render a real service in the community where I live, while getting a good living for myself and my family and providing for my own old age. We are fortunate to be in a stable business which is not upset every time there is a change in the administration—which is, even now, under the shadow of the world's worst war, less affected than almost any other business.

"Those who have left our business to become bankers and brokers must now feel much as the man did who left the following note on the door of a deserted shanty in the heart of North Dakota: 'Fore miles from a naber; sixteen miles from a post office; twenty-five miles from a railroad; a hundred and atey from timber; half a mile from water. Heaven bless our home. We're going East to get a fresh start.'

"One of Boston's big business men, who carries \$700,000 of life insurance, told a friend of mind this week that insurance agents never had so many good arguments for life insurance as they have to-day.

"It is fine to be in this business for what we can get out of it, but it is finer to be in it for the service we can render, and because it is to-day *the one* force above all others which in part seems to counteract the on-rushing extravagance and waste of our country."

During the banquet a general spirit of good fellowship prevailed, which was greatly enhanced by a burlesque illustration of how to write business by Messrs. Ganse and Gilman, while Mr. Tougas and Mr. Gilman led in the singing of "Gentile Alouette" and other popular songs.

Capital District.

The regular monthly meeting of the Capital District Association was held at Albany on October 30. Henry H. Kohn, a member of the National Executive Committee, who attended the Cincinnati convention, spoke in an interesting manner concerning that gathering. Seward V. Coffin, president of the association, announced that he had arranged for several able speakers to address the association during the winter months, and further stated that the association would conduct an Education and Conservation campaign in connection with the National Association movement. The speaker of the evening was former National President Charles W. Scoval.

His discourse was most instructive and was listened to with deep interest. The ideas presented were practical, and should prove of great value to the members.

Chicago.

At the Auditorium Hotel, on the 22d of October, the Chicago association held its regular monthly meeting, with Warren M. Horner as the principal speaker. Much important business was transacted, and following Mr. Horner's address on the Education and Conservation movement, subscription blanks were passed around, and in a short time \$1,000 was subscribed. It is the intention of the association to raise a fund of \$5,000, of which \$2,500 will be given to the National Committee of Education and Conservation; \$1,000 will be used toward suppressing rebating; another \$1,000 for a local campaign of advertising, and the balance will be used to defray the expenses of a banquet to be given this month.

Bishop Fallows, of the Reformed Episcopal Church, delivered an invocation, after which President Edward A. Ferguson discussed the progress which has been made by the association since last February. An effort had been made by a committee of seven to raise a fund of \$1,000 for the purpose of stamping out rebating, and the publicity committee endeavored to raise \$5,000 for education and conservation propaganda. As only partial results were secured, the matter was temporarily abandoned until this meeting.

Several new members were admitted and a recommendation was made that the constitution be so amended as to combine the offices of secretary and treasurer; that the by-laws be amended to make the dues \$6, payable semi-annually on Jan. 1 and July 1, and make the membership fee \$5 instead of \$2.50. Jules Girardin, chairman of the publicity committee, related several specific instances of twisting, and Alfred McArthur announced plans for increasing the membership of the association, the present membership being only 18 per cent. of that which is possible. Excerpts from Mr. Horner's address follow:

The problems of life underwriting in Chicago are no different than those in any other locality, except in degree, because of the size of your city. You are the victims of an ignorant and anti-public sentiment which makes poor laws for them and you; makes them pay more and you receive less for what you do; puts you constantly in an apologetic attitude, outwardly or inwardly and often both; makes you give what they receive mostly, poor service.

Instead of bettering the situation by education, advertising and publicity, talking to the public about how fine you are and what a fine thing you are doing, and living up to those ideals, the situation is aggravated by a supine policy of organization and a shiftless, inadequate, unbusinesslike policy of appointing and training men, not even conforming to the law—enforced ethics of the barber business.

Someone said something to me about \$5,000. Well, that is not quite so bad as to have tried to raise enough money years ago to clean up the Chicago river by taking the collection at a Sunday school picnic. Gentlemen, it is worth \$2,500 in cold cash to any one of several of the largest agencies in Chicago, and of value, in proportion, to all the smaller ones, to clean up the life insurance business in this city; and, as I have said, conditions are no worse here than elsewhere, excepting that rebate is not practised in many communities.

Get a fund. Show the agents on the outside that you mean business. That you are going to spend money, and spend it judiciously for the good of all, but that only members can receive full reward.

You do not need to spend much money for killing rebates, because that will end with your general standardization, excepting in sporadic cases which can be nailed as they arise. It is not necessary to advertise this fact too extensively because you will keep some out that you can better reform inside, and you may lose some of your present members.

The educational campaign of the National Association of Life Underwriters will create a larger demand for insurance, and give increased protection to the public.

Personally, I am more interested in giving the people service—service in detail of transaction and net cost of insurance; that the company be recognized in its true capacity as a fiduciary institution; that the agents enjoy prestige because of what they are doing, and that there be such an attitude of the public mind created as will permit of those agents making a living wage in keeping with the station they occupy in the community.

Death isn't a hazy dream any more—it is grim present reality, and men can turn from the news pages where they have read of another terrific battle and see in the advertising pages the way they can provide for the lives of mothers, wives, sisters and little ones.

The life insurance agents of this country are charged with the destiny of a hundred million people, whose earning power and future well being they must conserve, and it is incumbent upon us to act from this on as a mighty army trained to the minute, and not as if we were merely indulging in a foraging expedition.

Cincinnati.

It was proposed at the October meeting of the Cincinnati association to change the date of the annual election from May to the second Tuesday of January. Formal action will be taken upon this matter at the November meeting of the association. W. A. Bruehl, Jr., who has most acceptably served as secretary for a number of years, found it necessary to resign his office. His resignation was accepted with much reluctance, and his successor is Jesse E. Taylor, general agent of the John Hancock.

A committee was appointed to discuss the proposed campaign of institutional advertising. Those who are most optimistic in the project believe that the association will be able to raise approximately \$5,000. This matter will constitute the principal subject of discussion at the November meeting.

In keeping with the action taken at the Cincinnati convention, the association placed itself upon record as being inclined to a liberal interpretation of the resolution, in connection with the newer and smaller companies. A resolution was adopted to this effect.

Cleveland.

The Cleveland association recently took out a State charter. In the papers filed at Columbus it is stated that the association's object is "to advance in every legitimate way the cause of life insurance; to promote the enforcement of the Ohio laws pertaining to life insurance and to encourage helpful, friendly, ethical relations among those engaged in the life insurance business." The incorporators are Albert D. Hatfield, E. B. Hamlin, W. H. Whitney, O. N. Olmsted and S. R. Johnson. President A. D. Hatfield occupied the chair at the October meeting of the association, and gave an interesting talk in which he emphasized the fact that the benefits which accrue to members depend upon that which they do for the association.

T. M. Norris called attention to the fact that three of the members were candidates for political honor: Roy A. Tuttle, of the Midland Mutual, and C. A. Mooney, of the Michigan Mutual, are candidates for the National House of Representatives, while Herman Fellingner, of the Pacific Mutual, aspires to the State Senate. Mr. Fellingner has already served two terms in this capacity. A number of interesting topics had been prepared for five-minute talks, and the discussion was illuminating and general. Several new members were admitted.

Colorado.

F. A. Fouchard, of the Knox School of Applied Salesmanship, delivered an interesting address at the October meeting of the Colorado Association, his subject being "Scientific

Salesmanship." The following members were elected: Dick Oliver, New York Life; George W. Broen, Prudential; William H. Warner, Aetna Life; William D. Brown, Prudential; James H. Cowles, Provident Life & Trust Co., and Irving R. Cowles, manager, Provident Life & Trust Co.

Delegates who attended the Cincinnati convention delivered enthusiastic reports of that meeting, and a resolution was adopted to thank Senator Thomas, of Colorado, for his cooperation with the association in the elimination of the stamp tax on life insurance policies.

Detroit.

An encouraging report was presented by the special committee appointed to solicit subscriptions to the Institutional Advertising Campaign at the monthly meeting of the Detroit association, held on the 2d inst. at the Heidelberg Café. Eight hundred and seventy-five dollars had been collected, and practically \$125 more, it was reported, was obtainable with comparative ease. A majority of the local companies and general agencies subscribed to the fund. Ernest W. Owen, chairman of the membership committee, reported 11 new applications and stated that the committee would probably secure 40 more before the next meeting. An amendment to the constitution was adopted, changing the date of the annual meeting to December. At this meeting new officers will be elected, but they will be installed at the January meeting.

The subject for discussion was "Killing Time." It was the opinion of F. M. Steinbauer that a great many agents kill time by seeing too many prospects and not sufficiently systematizing their work. C. W. Lisk contributed some thoughts of value as to his particular method of getting prospects, while D. A. Johnston declared that there were some agents who kill other agents' time by attempting to disturb and twist the business. Verne L. Tickner spoke of his experience as an actuary, and J. C. Robinson discussed the difficulties which beset an executive head of a company. It was the opinion of the latter gentleman that the solicitation of life insurance should be conducted strictly on a commission basis. H. Wibirt Spence said that many an agent would kill less time if he was imbued with the idea of service. Several other members spoke along similar lines.

Delaware.

The Delaware association recently met at Wilmington and organized an insurance section of the Chamber of Commerce. W. W. Knox, general agent of the Penn Mutual, was elected president. The following standing committees were appointed: Platform, John A. Montgomery, chairman; Jeremiah McDonough, Frank C. Hughes, James B. Owens and W. T. Batchelder. Membership, James F. Price, chairman; Charles B. Palmer and Joseph C. Lawson. Delegates to cooperate with the membership council of the Chamber of Commerce, C. E. Pierson, chairman; W. W. Knox and C. B. Palmer.

Fort Dodge.

A meeting of the Fort Dodge association was held on the 7th inst. David P. Smith made a report of the first meeting of the Iowa State Insurance Federation, which was held in Des Moines on Oct. 27.

Grand Rapids.

The Grand Rapids association held its regular meeting on Oct. 31, in the Association of Commerce building. C. M. Wright and Ned Bolmer, both of whom attended the Cincinnati convention, gave interesting reports of that gathering.

Iowa.

"Printer's ink is the medium through which we can reach the people when presenting the subject of life insurance," said Warren M. Horner, chairman of the National Committee on Education and Conservation, at a banquet given by the Iowa association on the evening of October 17, in Younkers' tea room. "I believe the public is willing to receive readable educational matter on the subject of life insurance, and a number of schools for some time past have been successfully presenting courses and instruction regarding life insurance."

Mr. Horner explained during the course of his address that the funds for carrying on the publicity campaign were to be derived from a contribution of 5 cents on each \$1,000 of paid insurance. Twenty-five per cent. of this amount will be paid to the National Association for the national advertising campaign, and the balance of the fund is to be retained by the local association for advertising purposes.

Dr. George R. Magill, president of Highland Park College, in a spirit of pleasantry, expressed the belief that it would be difficult to reconcile the faculty of many colleges to the idea of a department of insurance without some greater incentive than the mere fact that it will provide the scholar with a means of livelihood. He believed that scholarships ought to be established and he expressed the belief that chairs of insurance ought to be endowed in colleges. In a facetious spirit Dr. Magill said he thought that the insurance companies which put up skyscrapers or buy seven-story buildings and put another story on top of them ought to be able to endow a chair.

This sally was resented by two or three of the insurance heads present. Mr. Magill, who had spoken in a spirit of levity in referring to the skyscrapers, made his meaning more clear and succeeded in pacifying the belligerent ones.

Dr. C. S. Medbury, of the University Church of Christ, also spoke on the life insurance course as a factor in the college curriculum.

About forty life insurance men were in attendance at the banquet.

Nearly 30 members attended the regular monthly banquet and business meeting of the association held on the evening of Nov. 7 in the Grant Club, in Des Moines. It was reported at the business session that the proposed insurance advertising campaign to be carried on in Des Moines in the near future had met with the approval of the majority of the life insurance men who had been approached regarding the financing of the campaign.

The feature of the evening was the debate on the question of whether it is better for a new salesman to fit the policy to a particular case, or would it be better to specialize in one form of policy? The speakers for the affirmative were

A. Blum, of the Equitable Life; E. D. Bream, of the New England Mutual, and H. A. Bryan, of the American Life. The speakers for the negative were M. M. Deming, of the Kansas City Life; C. L. Lunt, of the Central Life, and L. E. Dutton, of the Metropolitan Life. Following the debate a vote was taken among the association members, and the speakers for the negative side were declared to have advanced the best argument.

The speakers for the affirmative contended that the young insurance salesmen should be familiar with several forms of policies, and that he should have sufficient knowledge of these policies to write the one best fitted to the applicant, or any particular case. They also maintained with more than one form of policy to sell the salesman would be in a position to supply the one demanded by the applicant.

The speakers for the negative pointed out that a thorough knowledge of one particular policy was essential, and that an understanding of the others would follow. They stated that specialization in all activities of life was regarded to-day as essential to attain success in any business or profession, and that this rule was applicable to the selling of life insurance. The speakers for the negative stated that by specialization in the selling of one form of policy the insurance salesman would become more efficient and would have a more thorough understanding of the policy.

It was decided to have another debate at the December meeting, and the executive committee was empowered to choose a subject.

Kansas City.

At the October meeting of the Kansas City association Ira B. Mapes, of the Phoenix Mutual Life, and now a member of the National Executive Committee, made his report as a delegate to the Cincinnati convention. J. R. Somerville, of

the Penn Mutual, suggested the idea of making up as complete a list as possible of the large policyholders in Kansas City, the list to be used whenever advisable in the interests of the business. It was also decided to extend invitations to legislative candidates who are familiar with life insurance legislation to make addresses at subsequent meetings, and there was discussion as to the advisability of admitting of sub-agents to full membership.

George H. Combs, of the Independent Boulevard Christian Church, preached a special sermon to the members of the association on the evening of Sunday, Oct. 25. More than 75 insurance men were present. The text was Revelations 3:2—"Strengthen the things that remain."

Dr. Combs introduced his subject in a general way by stating that while it was the duty of ministers to preach against things which hurt, as, for instance, the saloon, it was also necessary to give attention to things which help. He then elaborated upon life insurance in its relation to humanity.

Knoxville.

The regular monthly meeting of the Knoxville association was held at noon Oct. 31 in the private dining rooms of the Seilaz Cafe, with a large attendance. Prof. Samuel Hixson, principal of the Knoxville High School, was guest of honor, and addressed the association upon the "Indifference of Many Uninsured People Toward Life Insurance and the Advantages of a Course on Insurance in the Public Schools."

Prof. Hixson was for a time a successful life underwriter, and is in full sympathy with the agents now in the field preaching the gospel of life insurance. He said that they were doing a greater work than can be realized in educating the people to appreciate the full worth of life insurance, the greatest of all public benefactions, both by word of mouth and by the organized plan of advertising its benefits in the magazines and the daily press.

Prof. Hixson believes in teaching practical subjects in the public schools that will increase the efficiency of all students when they go out to take their places in the world of business, and believes the subject of insurance is one of paramount importance, whether the student intends to follow it as a profession or to avail himself of its protection.

He will recommend that a course on insurance be introduced in the public schools in connection with the regular commercial course, and is only waiting for the publication of a suitable text book for the purpose.

The Knoxville association presented a petition to Senators Shields and Lea requesting their co-operation to secure the elimination of this stamp tax from that bill, and was promptly informed by both Senators that they were in hearty accord with the appeal.

National President Hugh M. Willet visited the Knoxville association on the 9th inst. During the day he met many insurance men, and in the afternoon a committee of underwriters conducted him on an automobile tour of the city and vicinity. At six o'clock he was tendered a complimentary dinner at the Cherokee Country Club. As chief guest of honor and principal speaker, Mr. Willet gave some interesting figures on insurance in America and advocated education and conservation, as well as a high standard of field ethics. The other prominent guests were Captain Wm. Rule, editor of the *Journal and Tribune*; William L. Morgan, editor of the *Knoxville Sentinel*, and Prof. George Herbert Clark, of the University of Tennessee.

After the dinner was served, J. H. Frantz introduced Captain Rule, who in turn presented Mr. Willet. Captain Rule welcomed the guest of honor to Knoxville and paid a tribute to the insurance men as benefactors of humanity. Mr. Willet then spoke of the magnitude of life insurance business in the United States, and discussed some of the objects of various local associations. He briefly dwelt upon the burden of unreasonable life insurance taxation, and told of the success which had crowned the efforts of the National Association in its campaign against the recently proposed stamp tax matter. In closing, Mr. Willet invited life insurance men to attend the San Francisco Convention. Following Mr. Willet,

Mr. Morgan was introduced. He spoke briefly, discussing the economic side of insurance.

Los Angeles.

A meeting and dinner, on Tuesday evening, Oct. 13, marked the resumption of the Los Angeles association work. There was a large gathering. Among those present were a number who had attended the National Convention. These gentlemen gave interesting glimpses of that big assembly. The removal of Arthur P. Chipron to San Francisco leaves Vice-President Bertram P. Rouse at the head of the association.

Louisville.

Arrangements for the November meeting of the Louisville association are being made by George L. McDonald, of the Phoenix Mutual. Winslow Russell, superintendent of agencies of that company, will be the principal speaker. There is a possibility, also, that National President Hugh M. Willett will be able to visit the association at that meeting.

Louisiana.

The annual meeting of the Louisiana association, held on Oct. 26 in the room of the board of directors of the Whitney-Central National Bank, at New Orleans, developed the fact that the past year, under the direction of Crawford H. Ellis, was the most successful and important in the history of the organization. The membership in 1913 totaled 39; for the past year the total was 70. The election of officers resulted as follows:

President, Wilson Williams, general agent of the New England Mutual; vice-president, T. P. Thompson, associate general agent of the Equitable; secretary-treasurer, T. D. Wharton, editor of the *Insurance Vindicator*. Executive committee, James W. Smither, chairman; W. J. Hannon, H. L. Garic, E. G. Simmons. These, with the present officers and ex-presidents of the association, constitute the committee.

The reports of the secretary and executive committee showed that the course of lectures at Tulane on life insurance by members of the association had been well received. The president was authorized to communicate with Tulane on the subject of lectures for this session. C. D. Corey was appointed chairman of the membership committee and William Henry Brown chairman of the entertainment committee, with power to select four other members of each committee.

By a rising vote the members thanked their retiring president, Crawford H. Ellis, for his conspicuous service during the past year. Mr. Ellis said he was heart and soul with the organization and would give his active support to the new officers in their efforts to upbuild and serve the association.

Wilson Williams asked for the co-operation of the members in the work of the coming year, saying: "This association lays claim to support as a vitalized organization for the enrichment of our community and the welfare of all. With this in mind, let's try to increase its membership and thus its potency for our mutual benefit and advantage."

James W. Smither favored organizing a club to visit the annual meeting of the National Association in San Francisco in 1915. The effect would be beneficial to the association and a proper effort to help San Francisco.

The meeting showed that the organization is in a position to exert strong influence for the life insurance business in the State.

Macon, Ga.

National President Hugh M. Willett recently organized a new local association at Macon, Ga. The following officers were elected: President, Guy E. Paine; first vice-president, J. Clay Murphy; second vice-president, T. S. Lowry; secretary and treasurer, D. A. Walker. The executive committee is composed of C. Adams, chairman; O. P. Beall and G. A. Rankin. The association starts off with a membership of 20, and an effort will be made to include the agents of all legal reserve companies operating in Macon and vicinity.

Western Massachusetts.

Charles E. Fish, of Boston, manager of the Phoenix

Mutual, was the principal speaker at the monthly meeting of the Western Massachusetts association held in the Nelson-Haynes Hotel on the evening of Oct. 22, his subject being "The Business of Life Insurance." There were some 40 present, dinner preceding the speaking. The Boys' Club Orchestra furnished music during the occasion. The other speaker was Vernon B. Swett, general manager of the Provident Life & Trust, Boston, and he told of the work of the National Association. Harold A. Ley, of Springfield, will be the speaker at the next meeting on Nov. 20, and his subject will be "The Conservation of Life." The National Association is planning a campaign of conservation and education which will be nation-wide in its scope, the plan being to educate the people through the magazines, and the Western Massachusetts association intends to contribute to the fund being raised for this purpose, providing that a majority of the members subscribe and that a minimum of \$300 is raised.

Mr. Fish, in speaking of the business of life insurance, enlarged on the idea of putting purpose, plan, principle, personality and power into the work so that experience, judgment, character and money can be got out of the work. He said that optimism, efficiency, good management and good business, together with low expenses and commissions, produce power and success, whereas pessimism, inefficiency, poor management, poor business, high cost and excuses produce weakness and failure.

Minneapolis.

Preceded by a luncheon, the regular monthly meeting of the Minneapolis association was held on the 31st of October at the West Hotel. One important feature of the business session was the discussion and final rejection of the proposed amendment to the constitution to have a membership committee with power to admit members by unanimous vote after two weeks' time was given for rejection of the applicant. Warren M. Horner seemed to voice the sentiments of the majority of the members.

"In making any changes," said he, "in the constitution or by-laws it is well to consider the future as well as the present. Our association is growing in membership. In June we had 33 members, to-day we have 75. We are all pleased to note the growth. We do not want to do anything or make any changes in our government that will prove undemocratic. We want new members to know there are no 'star chamber' proceedings in connection with the admittance of a member and that two or three men shall determine who shall and who shall not become members of our association."

The proposed amendments were rejected and a motion passed that the chair appoint a committee of three to draft further amendments as a substitute. Two new members were admitted, George S. Higgins, Manhattan Life, and J. C. Meyers, Union Central. The next meeting will be a reception to the new members admitted during the year, and will be held in the evening.

Mississippi.

At the regular monthly meeting of the Mississippi association on Nov. 2 in the private dining room of the Bon Ton Cafe, at Jackson, it was decided that the annual meeting of the association would be held in Jackson, at the Edwards Hotel Banquet Hall, on Jan. 4, 1915, as has been customary from year to year, the hour to be decided later.

In order that as many outside agents as possible will attend, it was suggested that all general agencies and companies arrange for a contest among their field men, offering as a special inducement a trip to the meeting with all expenses paid, provided they individually produced some set amount of business, each man's productive capacity, of course, to be considered. This is an especially good idea, as every licensed agent in the State has been invited to become a member of the association, and would no doubt welcome an opportunity of attending one of its meetings.

As has always been customary, the cost of each plate will

be \$1. National President Hugh M. Willet has been invited to attend.

New England Women's.

The principal feature of the November meeting of the New England Women's association was the offering by Mrs. Florence E. Shaal, president of the association, of three prizes, one of which will be given to the member of the association who leads in volume of paid business for the two months, ending with the January meeting. Another is to the leader in premiums, and the third for the leader in the number of lives insured.

Mrs. Shaal asked each woman present for an expression of opinion as to the most valuable qualifications of the agent, and the replies were varied, as well as valuable. Mrs. Shaal emphasized the necessity of increasing one's acquaintances. Vernon B. Swett, the new president of the Boston association, will be the speaker at the December meeting.

New York.

In the evening of Oct. 27 the New York association held its regular monthly meeting in the Peacock room at Murray's, on 42d street. James M. McIntosh, counsel of the New York Life, delivered an address on certain legal questions connected with the business, making special mention of rights of insured and beneficiaries in bankruptcy cases, assignments, income tax and inheritance tax. Many of the members declared it was the most profitable meeting they had attended for some time past. Abner E. Brown, of the Mutual Benefit, was elected as an active member.

Chas. Jerome Edwards spoke feelingly of the death of Major William E. Wilkinson, a home office official of the Equitable, who had always taken great interest in the association's work. Mr. Edwards briefly outlined Mr. Wilkinson's notable career and his service for life insurance, and requested that a committee be appointed to prepare suitable resolutions. President Julian Myrick appointed a committee composed of Chas. Jerome Edwards, Alfred Seibert and Sheppard Hommans.

The resolution as finally prepared was as follows:

"Whereas, The sad intelligence reaches us of the death of William E. Wilkinson, which occurred this day, and

"Whereas, Major Wilkinson has for many years been a member of this association, and an active factor in its progress, and the maintenance of the highest standards and ethics of the profession of life insurance, be it therefore

"RESOLVED, That we, the Life Underwriters' Association of New York, record this expression of the deep sorrow felt by all its members, by reason of the untimely removal from the sphere of human activity and brotherly fellowship of William E. Wilkinson, whom we regarded so highly and will remember always as one whose every effort and constant devotion to the welfare of the life insurance agent has been equaled by but few.

"RESOLVED, That this resolution be spread upon the minutes of this association, and that a copy be forwarded to his family in sincere condolence."

Mr. McIntosh, in his introductory remarks, stated that he would endeavor to say a little in connection with the various heads of the subject which had been assigned him. "The property in a life insurance policy," said he, "is like property in every other thing. If a policy of insurance is taken out by the insured on his own life for the benefit of another, then that other is interested in the property and it becomes the joint property of the insured and the beneficiary.

"The beneficiary's interest may be of one or two kinds: It may be an interest which the insured has reserved the right to defeat by reserving in the contract the right to change the beneficiary, or it may be an interest which is absolute in the beneficiary because the assured has not reserved the right to change the beneficiary.

"Now, it is a curious thing that when the policy, as most policies do, reserves to the insured the right to change the beneficiary the courts have made all sorts of decisions about what is the nature of the interest of the beneficiary. For

my own part I declare I never could see why there should be any doubt or discussion on this question. Yet there are all sorts of decisions made upon it that are inconsistent with each other and inconsistent with what I believe to be the true interest of the beneficiary when the assured reserves the right to change the beneficiary at will. The policy is property. All property is vested in someone. Where the insured reserves the right to change the beneficiary all the property in the contracts is vested in the insured and in the beneficiary. In other words, the beneficiary's right is a vested right in such a contract just as much so as if the insured had not reserved the right to change the beneficiary, and cannot be defeated except in the way the parties to the contract have agreed.

"When a man who is insured becomes a bankrupt the bankruptcy law invests the trustee in bankruptcy with title to all the property of the bankrupt which, at the time he was adjudged a bankrupt, he might have transferred or which could have been levied upon and subjected by legal process to the payment of his debts. In other words, the bankruptcy law puts the trustee in bankruptcy, as of the date of the adjudication in bankruptcy, into the shoes of the bankrupt.

"Now, what effect does this have on the rights of the insured in his policy? The law makes a special provision about insurance. It says that the insured, where the policy has a cash surrender value payable to himself, may, within 30 days after the company has advised the trustee in bankruptcy of what the amount of the surrender value is, redeem the policy from the trustee by paying the trustee this cash surrender value.

"But, notice, the cash surrender value must be payable to the insured himself. If the wife or any other person is beneficiary of the policy, the probabilities are that the surrender value cannot be obtained by the insured himself. It can be obtained only by the joint action of the insured and the beneficiary. Then, in that case, the policy does not pass to the trustee in bankruptcy.

"Or again, the beneficiary has a vested interest in the contract. The beneficiary is not bankrupt. The beneficiary is not subject to the jurisdiction of the court because he has not been brought into court. There is no way that the bankrupt by being adjudged bankrupt can affect the interest of the beneficiary. It is the beneficiary's property, out of power of the law, as well as of the court, to affect or destroy.

"This has been the subject of a lot of litigation and bad decisions, due to the failure of the court to recognize the fundamental thing, namely, that the beneficiary has a vested interest in the insurance, and hence any attempt of the court to destroy the interest of the beneficiary is ineffectual because it is taking her property without due process of law.

"Our company has stood for the beneficiary in bankruptcy cases at all times. So, I suppose, have the other companies.

"The fact of the matter is that you and the companies you represent believe in the high purpose of insurance. You believe that the primary purpose of insurance is to protect the family and to conserve the home, and you stand for making your insurance do what you think it ought to do.

"So, with us, when the courts have tried to take away from the wife as beneficiary her interest in insurance after the assured became bankrupt, we have stood for her right, and opposed it. And I have myself defended cases which were not our cases, but the beneficiary's. I may have known more about her rights than she did or than her lawyer did, and have gone into the court and advocated her cause and sustained it.

"The purpose of the bankruptcy law is this: To turn all of the property of the bankrupt into cash and pay that cash over to his creditors for the liquidation of his debts as far as it will go, and to let him start in life anew, without any debts hanging over him. If the insurance policy is not capable of being turned into cash by the assured for his own benefit at the time he is adjudged a bankrupt, then it is not affected by the adjudication in bankruptcy."

During the dinner which preceded the address by Mr. Mc-

Intosh, slips were passed around with the understanding that if questions in relation to the address were written thereon Mr. McIntosh would attempt to answer them at the conclusion of his address. The questions were many, and some of them considerably involved, but the speaker found no difficulty in giving satisfactory and enlightening answers to all queries.

Oklahoma.

The October meeting of the Oklahoma association was held in the Dungeon Room of the Lee-Huckins Hotel, of Oklahoma City, on the evening of Oct. 12. The meeting was given in honor of J. Henry Johnson, who was elected secretary of the National Association at the Cincinnati convention, as well as a tribute of respect to O. F. Wilson, who was awarded the Whittington trophy at Cincinnati. Among the prominent guests were E. W. Randall, president of the Minnesota Mutual Life, of St. Paul, and E. S. Albritton, superintendent of agents of the same company. Mr. Randall gave a brief but interesting talk concerning his impressions of Oklahoma, stating that in his opinion Oklahoma was one of the greatest States in the Union, and in better condition than most of the other States at this time, especially since local conditions were largely the result of over-production. This was the first time that the speaker had ever heard of a State suffering from over-production of its crops. J. Henry Johnson tendered his resignation as president of the association on account of the additional burdens he would have as secretary of the National Association. His resignation was reluctantly accepted. O. F. Wilson, chairman of the executive committee, was unanimously and enthusiastically elected to fill the unexpired term. Alvin C. Johnson, of Tulsa, addressed the meeting, and made a splendid and enthusiastic address.

Rhode Island.

The annual meeting of the Rhode Island association was held on the 10th inst. at Providence. President Maurice H. Stearns and John E. Marshall, both of whom were delegates to the Cincinnati Convention, submitted their reports. Mr. Stearns also presented a unique and interesting sketch of the Rhode Island association. The following officers were elected for the ensuing year: President, Francis A. Crum, Equitable; vice-president, George H. Collett, State Mutual; secretary, John E. Marshall, Union Central; treasurer, W. K. R. Holm, Penn Mutual; member of the Executive Committee for three years, S. M. Power, Metropolitan.

Rochester.

The Rochester association held its seventh regular meeting on Oct. 2. Gilbert T. Amseden, president of the New York State Fire Association, spoke of the movement in progress in New York State to establish an insurance federation. Ohio, Missouri and Wisconsin have federations of this character. Six delegates from the Rochester association were appointed to be present at a meeting to be held Oct. 10 to discuss the formation of such a federation in New York State. The following new members were admitted: C. L. Harmon, general agent of the State Mutual; H. M. Levy, special agent of the Fidelity Mutual, and Charles Spaeth, general agent of the Home Life.

St. Louis.

John I. D. Bristol, general agent of the Northwestern Mutual in New York City, delivered a remarkable address at the October meeting of the St. Louis association. Mr. Bristol discussed "The Psychology of Life Insurance." He said in part:

"The paramount factor in all nature is the vitative principle. Vitativeness, or the love of life, was the brain organ first to evolve, as the result of the universal primitive struggle for existence. That longing, being the oldest, is, naturally, the strongest of all mental attributes. Brain organs of later development evince a less degree of strength as they show less of bodily association in faculty manifestation.

"The lesson to be derived from this is that perfect physical

health is the great essential underlying success in all occupations. This essentially applies to the many-sided vocation of life insurance. To compete in these days, with all the baleful results of part-timeism, brokerage and rebating, needs a careful safeguard upon all of the bodily conditions as affecting the vitative principle. Time and health are the chief items in the list of assets which life insurance men should possess.

"The alimentative desire, as the chief sustainer of life and strength, was no doubt the next factor to evolve as a mentality. From this the life insurance expert and those desiring to rank as such may deduce these truths: That the bodily functions should be closely guarded; that no habit arising from a perversion of the alimentative faculty should be permitted to become a part of our nature, and that any abnormal mental excitement from the use of stimulants is ever a foe to the successful application writer. Too hearty a lunch has lost many an application. In fine: There is no other occupation where habits of life, as affecting bodily conditions, have so much to do with success or non-success as in the ever-varying vocation of life insurance.

"Closely associated with the evolution of the two faculties just mentioned, that portion of the brain which now has to do with the domestic attributes of our modern life, came into the ever-growing scale of our evolution. The successful man, therefore, must rely upon a normality of the action of all of these faculties, as they constitute a vary great part of his mental functions. They have also had much to do with the creation of life insurance, and that man who presents life insurance at its best is the man who can best comprehend the wants and needs that life insurance supplies—and these are but the sweeter factors of life, with which the domestic faculties have to deal: The maintenance of the home, the perpetuation of the ties of family, the affording of the higher educational needs that our modern life so much requires, and an assurance to those nearest and dearest from the depressing effects of poverty.

"Each faculty of the human mind has something to do with the best in life insurance, for life insurance is interwoven with all the needs of man, woman and child; and when, by the payment of life insurance commissions to life insurance men only, life insurance becomes a business, and eventually a profession, through the great principle of agency protection that underlies and is a fundamental part of all business efforts, it will be the profession that will most strongly appeal to all of the faculties of man, and will, therefore, be the grandest profession to which the mentality of man can be applied.

"Nearly every agent in this room has his yearly record. He has realized so much in first year's commissions and has made so many calls during the year. With some agents each call has realized \$1.80, with others each call has paid its \$2 or \$3 or \$5. Some agents write small policies, others make it a point to approach the better class of professional and business men—the men of higher financial quotations—and these agents, for the same work, realize two or three times per call as compared with the agent who in some way gets in the habit of writing the smaller policies, and very frequently with a quarterly premium at that.

"It is all psychological, in that mental habits have so much to do with all that goes to make up the agent's record. That this is so is shown by the fact that every agent can increase the number of daily calls with not only a much better result physically, but with a most marked result financially. How many agents average six calls per day regularly, 1,800 calls per year, \$3,240 earned in first year's commissions, even at \$1.80 per call? And what agent making 10 calls a day and earning at even that low average \$5,400 per annum but could easily increase his daily calls to 15 on the average, with a resultant annual profit of \$8,100 in first year's commissions alone—not overlooking his renewal commissions, which would amount in the long run to nearly as much more? Remember, in this only formula for successful soliciting, we are not speaking of interviews, but of calls."

WEEK BEFORE LAST!

A CLARK UNIVERSITY GRADUATE!

A PENNSYLVANIA GRADUATE!

A BROWN GRADUATE!

All signed contracts with us within a few days of each other.

They had heard of our Agency Service—Our exceptional Educational Department—and the Sales Department—and they selected

LIFE INSURANCE AS THEIR PROFESSION.

Phoenix Mutual Life Insurance Company OF HARTFORD, CONN.

JOHN M. HOLCOMBE, President

San Francisco.

A special meeting and dinner of the San Francisco association was held at the Hotel Stewart, Thursday evening, October 15, at which thirty-six members and guests were present. President Matson presided.

The applications for membership of Howard M. Leggett, of the Travelers; F. H. Sleeper, of the Reliance, and Thos. B. Smith, of the Travelers, were recommended to the association for election by the executive committee. Upon motion, the secretary was instructed to cast a ballot electing.

The president called attention to the success of the delegation which went from the association to the National Convention at Cincinnati, where they secured the 1915 convention of the National Association for San Francisco. Messrs. Stephenson, Messler and Taffinder were called upon for reports of the work of the "Western delegation" at Cincinnati, which they rendered quite fully.

In this connection, Will G. Taffinder made a motion that the secretary be instructed to write to Messrs. J. Newton Russell, Jr., H. H. Ward, W. D. Mead, J. E. Meyers and F. E. McMullen, tendering them an acknowledgement of our obligations for the valuable work and assistance rendered in Cincinnati. Upon motion of Garner Curran, the above was made to include Messrs. B. P. Rouse and George A. Rathbun. The amended motion was seconded by R. L. Stevenson and unanimously carried.

William L. Hathaway moved that a committee be appointed by the president to draft a resolution embodying the thanks and appreciation of the association to the delegates who went to Cincinnati and performed such splendid work for the association; that their names be recorded in the minutes of the association, and a copy of the resolutions so drawn furnished each of them, as well as the press. The motion was seconded by E. W. Armstrong and unanimously carried.

The following comprised the "Western delegation":

J. Newton Russell, Jr., chairman, Los Angeles; F. E. Mc-

Mullen, Los Angeles; Geo. A. Rathbun, Los Angeles; C. I. D. Moore, Los Angeles; B. P. Rouse, Los Angeles; H. H. Ward, Portland; W. D. Mead, Seattle; F. B. Schwentker, Albuquerque; Leon B. Messler, San Francisco; R. L. Stephenson, San Francisco; Will G. Taffinder, San Francisco; Garner Curran, San Francisco; H. J. Ford, San Francisco; George L. Bandy, San Francisco, and Gordon W. Hay, San Francisco.

President Matson then referred to the matter of organizing for the entertainment of the National Association, as well as other insurance visitors in 1915 to whom the local association is obligated to extend entertainment; and called upon William L. Hathaway, who as Commissioner of the World's Insurance Congress Events, has been in close touch with the situation as regards visiting insurance men for the past four years, and has made a careful study of the various ways in which it would be possible to afford creditable entertainment.

Mr. Hathaway made a forceful appeal to the members of the association for an active co-operation in the forming of an entertaining body, and outlined what his past experience has caused him to believe the best possible solution of the problem. Immediately following his remarks the secretary read a resolution, embodying Mr. Hathaway's suggestions, which had been previously passed upon by the executive committee, and recommended by them to the association for endorsement. Upon motion of Mr. Porter and seconded by Mr. Griffin, the resolution was unanimously adopted. It follows:

"The members of the Life Underwriters' Association of San Francisco, at their regular meeting held Oct. 15, expressed their thanks and appreciation for the work done at the Cincinnati convention by the entire Western delegation in securing for San Francisco the national convention in 1915, and caused to be spread upon the minutes of the meeting the following resolution, which was unanimously adopted:

RESOLVED, That the thanks and appreciation of the Life Underwriters' Association of San Francisco be conveyed to the members of the Western delegation who so loyally and effectively supported San Francisco in the securing of the national convention for 1915. That said delegates' names be recorded in the minutes of the San Francisco association, and that a copy of this resolution be sent to them and the insurance press.

Respectfully submitted,,

R. O. MILES, chairman,

J. A. CAREY,

W. A. WAHN,

Committee on Resolution.

The president then called upon A. P. Chipron, president of the Los Angeles association. Mr. Chipron has now removed to San Francisco, and intends to secure a transfer from the Los Angeles body to the local association. He told of association activities in the South, touched upon our entertainment of the National Association next year, to which he pledged the active assistance of the Los Angeles body, and altogether made a very pleasing talk.

At the previous meeting of this association a committee was appointed to have placed in the hands of the American

Life convention an invitation to hold their 1915 meeting in San Francisco; and Otto Irving Wise, having attended their recent meeting in Dallas, was called upon. He explained that the matter of selecting the 1915 place of meeting had been left in the hands of the executive committee for decision, which he believes will be favorable. Mr. Wise also referred to the matter of 1915 entertainment, and heartily endorsed Mr. Hathaway's recommendations in that regard.

Other speakers before the meeting were Messrs. Chas. W. Gould and Eugene R. Ellis.

South Carolina.

Life insurance men representing the majority of the companies doing business in South Carolina met in Columbia, Oct. 28, for the annual convention of the South Carolina association. The session opened at 4 o'clock in the City Council chamber and interesting discussions occupied the attention of those present.

The meeting was called to order by President F. H. Hyatt. F. H. McMaster, Insurance Commissioner, on behalf of the Insurance Department, extended a hearty welcome to the convention. Mr. McMaster referred, in a reminiscent vein, to the conditions experienced many years ago by the life insurance agent, in that in many instances he had to overcome

"What the Equitable Offers"

What the Equitable Offers is the title of a booklet listing in detail the many attractions and advantages of Equitable policy contracts.

While intended for the prospective insurer, it will interest any insurance salesman who is curious to know why Equitable policies sell readily, renew steadfastly and meet every conceivable need of all classes of insurers. A copy will be sent to any address on request.

The Equitable Life Assurance Society

of the United States

165 Broadway, New York

W. A. DAY, President

Satisfied Policyholders

The constant line of applicants
for **ADDITIONAL** insurance in the

JOHN HANCOCK

shows that its members have
GOOD JUDGMENT

**TIE UP WITH THE COMPANY MAKING
SATISFIED AGENTS**



WILLIAM N. COMPTON

General Agent

Metropolitan District

ST. PAUL BLDG.

220 BROADWAY

NEW YORK, N. Y.

the religious objections to life insurance. On the contrary, to-day he was happy to state that the general public realizes that through life insurance the greatest good may be done for the greatest number of people. Mr. McMaster related an anecdote to the effect that a colored citizen, in expressing his views of the existing financial conditions, averred that if they became much worse he would have to resort to the pulpit for a living. Mr. McMaster emphasized that the agent has a great opportunity for good, carrying out the gospel as laid down by St. Paul.

From the report of the secretary it was found that the association enjoys the largest membership in its history and its affairs are in excellent shape.

William M. Hantske and J. T. Coleman made reports as to the work proposed by the field ethics committee, and it was agreed that the committee would co-operate thoroughly with the Insurance Commissioner in such manner as desirable to maintain the highest standard possible in the selection and licensing of agents. On motion, the committee of 1914 was continued for 1915, it being composed of W. A. Hantske, chairman; Marion Rich, J. S. Land, J. T. Coleman and F. S. Munsell.

New members proposed and elected were: E. J. Myers, Florida Life, Columbia; A. B. Williams, New England Mutual, Charleston; O. F. Hart, Manhattan Life, Columbia; J. H. Kreps, Atlantic Life, Columbia; M. L. Platt, Philadelphia Life, Columbia.

R. N. R. Bardwell, of Atlanta, Southern supervisor for the Germania Life, was present as guest of William M. Carter, the company's general agent in Columbia, and Mr. Bardwell was invited to address the meeting. He referred to his observations at the Cincinnati convention and outlined the plan of conservation and publicity as proposed by the national committee, through which the local association would expend 5 per cent. of the funds collected and the National Association would expend the remaining 25 per cent. in publicity throughout the country. Mr. Bardwell referred to the election of Hugh M. Willett, of Atlanta, as National president as

being a recognition of signal ability, and stated that Mr. Willett would probably meet with the South Carolina association at its annual banquet next spring.

M. M. Mattison, of Anderson, National Committeeman, made a brief report of the conservation movement, and upon motion it was decided to postpone definite action. The matter of offering a medal annually to each of the colleges of the State for the best manuscript on life insurance was also deferred until the next meeting.

J. C. Dillingham, of Charleston, made a report on his impressions as a delegate to the Cincinnati convention, and he assured those present that to attend one convention would mean great inspiration for any agent. Marion Rich, of Columbia, also attended the Cincinnati convention, and made a brief report.

On motion of Fred J. Parham the president appointed a nominating committee for election of officers of the association for 1915. The committee reported the nomination of the old officers for another year, and this was carried by unanimous vote, the officers including F. H. Hyatt, president; C. C. Edwards and J. C. Dillingham, vice-presidents; W. S. Hendley, secretary-treasurer, and the following executive committee: Carroll H. Jones, chairman; Fred J. Parham, W. J. Roddey, W. M. Carter, Ellison Capers.

Tacoma.

The monthly meeting of the Tacoma association was held Oct. 26, at the Olympus Hotel, in which forty of the life insurance men of Tacoma sat down to the banquet. William Peterson, president of the association, called the meeting to order, introducing Carl F. Widmann, agency manager of the Equitable Life Assurance Society, who presided over the meeting. It was known as the "Equitable" night.

The speakers and guests of the evening were Edgar W. Smith, of Portland, manager of the Equitable; Rev. F. T. Webb, William F. Geiger, superintendent of schools, and E. D. Hodge.

"Every life insurance policy that is sold brings comfort to someone and helps to bring about the realm where all dis-

CAN SELL YOU ANNUITIES?

We are the leading specialists in Annuity business.

Special terms for Annuities on impaired lives.

Good contracts for men who can sell our attractive Life, Endowment and Annuity policies.

SUN LIFE ASSURANCE CO. OF CANADA

HEAD OFFICE, MONTREAL.

ROBERTSON MACAULAY, Pres.

T. B. MACAULAY, Man. Dir.

MANAGERS IN UNITED STATES

C. S. V. BRANCH.....Philadelphia, Pa.
HAYES and BROOKS.....Pittsburgh, Pa.
F. C. HOLBECK.....Lansing, Mich.
NEIL D. SILLS.....Richmond, Va.

C. E. KREGLOE.....Baltimore, Md.
ERNEST W. OWEN.....Detroit, Mich.
E. E. WILKINSON.....Port Huron, Mich.

quietude and discomfort passes away," said Dr. Webb. "In the Bible story of Lazarus and the rich man this rich man was sent to the place of punishment because he had neglected to care for the poor man outside of his door. How much more guilty is that man who fails to provide for those of his own blood and kin, but leaves them to their own fate."

Mr. Geiger spoke on "Education and Life Insurance." He said life insurance was being studied in a number of universities in the East and to a certain extent was studied by many high schools throughout the country in connection with their commercial course. He said he had often regretted he did not take five times the amount of insurance at the time he took his first policy, and advocated that the young men be shown the advantage of a systematic saving of as large an amount as they can save. Mr. Geiger also gave a lucid explanation of the proposed teachers' retirement fund, which would insure a higher grade of teachers and enable those who had spent their years of usefulness in the service to retire on a moderate pension.

E. D. Hodge gave an address on "Insurance in the Settlement of Estates." He said the majority of the population fifty years ago was a class who lived on farms. The head of the family, when he died, left his family with a farm from which they were easily able to earn their living. In the present time the majority of the population live in cities, and in the great majority of cases the man's estate consisted of his employment, whether a machinist, professional man or otherwise. Out of 27 estates probated within the last three years 10 of them were valued at less than \$1,000 each, and out of 27 only three carried life insurance, he said.

Edgar W. Smith spoke on "Income Insurance." He cited a number of cases where men who were reputed to be very wealthy had died, and when their estates were probated they were found to consist of little or nothing. A number of the Presidents of the United States died, leaving their families with practically nothing to live on. He said very few people were capable of investing cash wisely, and the great majority of widows who were left a lump sum would lose it through unwise investments. He advocated having life insurance on the income basis, where the company would guarantee to send a check each month to the widow for a period of 20 years, or during her lifetime.

William Peterson, president of the association, announced that the executive committee recommended the 11 following members into the association: L. L. Tallman, Northwestern Mutual; John D. Dole, Prudential; James S. Shaw, Pacific Mutual; Arthur Finley, Penn Mutual; W. H. Worden, Pacific Mutual; W. E. Buffum, First National; F. T. Hale, West Coast Life; Roderick McKinzie, Mutual Life of New York; M. A. Tenney, Mutual Life of New York, and Dwight Whitman, Penn Mutual.

Texas.

Orville Thorp, president of the Texas association, recently sent out a letter to the members of the association. In this communication he called attention to the address on "Life

Insurance Salesmanship as an Art," which former National President Charles W. Scovel delivered before the American Life convention. Mr. Thorp claimed that the life insurance agent owed mankind a debt of service. He said in part:

"First: By doing your full duty to the maximum of your capacity you can be the direct cause of keeping thousands of homes together after the husband and father has passed away whereas as a result of your failure to do your duty many of these same homes will be broken up, the children forced from the protecting hand of a mother, to be scattered over the land as subjects of charity, while the mother, who loves her children just like our mothers, is forced, through necessity, to leave that which is dearest and sweetest to her of all life and go out into the cold world alone. Why? Because some life insurance salesman probably failed to do his duty.

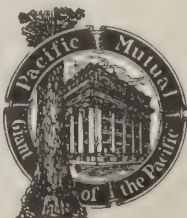
"Second: In your work as a life insurance salesman you come in contact with hundreds of homes. The children of these homes will be the men and women of the future. Pull back the curtain and look into the future for 10 or 15 years. There you will see young men and women meeting successfully the great issues of life. These young people have been educated and prepared to live in peace, happiness and contentment. Though the father may have died while they were still children, yet while in good health and sound of mind he had arranged to secure his income for home, mother and the children after his death. He set his home in order. He planned for the future, and we see the results of his planning. But you see still another class of young men and women—they are poorly clad, poorly fed, bodies diseased through vice, and as a whole they seem to be living a life in which crime is the chief occupation. Do you wonder why? Here is the answer: Some life insurance salesman failed to grasp the opportunity when it came along and thereby he let some fathers die without life insurance with which the mother could keep the home and educate the children. The children were forced into the race of life handicapped by a loadstone of ignorance. Had the life insurance salesman done his duty, part, at least, of this picture would have been changed.

"Third: One of the most beneficial factors in the plan of legal reserve life insurance is that it helps the insured to adopt a system of saving and accumulating a reserve fund for old age. In doing your full duty you can help thousands pave the way for an old age of comfort, peace and prosperity. Is there anything any more discouraging than the scenes around and old folks' home? The old people, broken in spirit, friends all gone, are waiting the final summons to end a life of failure. Is there any place where you as a life insurance salesman could have changed these results? It is up to you to answer this question. A limited pay policy sufficient to protect the earning ability of a life during its productive days will also take care of that life during the declining days of old age. The opportunity, as well as the responsibility, is before you.

"Dreaming, did you say? No, I am not dreaming. The

"Westward the Course of Empire Takes Its Way"

A Western Company on the Western Edge of This Western Continent.



Organized 1868

The Pacific Mutual Life Insurance Company

of California, with forty-six years of successful experience behind it, stands in the open door of opportunity and is building for itself a constantly expanding place in life insurance.

Good connections can always be made with our General Agents throughout the country. Home Office, Los Angeles, California.

are three results which follow in the wake of our failure. We are our brother's keeper to the extent, at least, that we are not to leave a stone unturned in our efforts to help him help himself. We have a Herculean task to perform. Let's rise to the occasion, grasp the opportunity and meet the issue like men."

Utah.

At the last meeting of the Utah association President George J. Alder made an extended report of the twenty-fifth annual convention of the National Association, held in Cincinnati. Two new members were admitted, M. H. Kriebel, general manager of the Pacific Mutual, and Joseph A. Carlson, district manager of the Northwestern Mutual.

Mr. Alder explained that Warren M. Horner, chairman of the National Committee on Education and Conservation, expressed himself as being greatly pleased over the fact that the Utah association gave its entire contribution for institutional advertising to the National Committee, not reserving any of the funds for local use.

In response to a telegram from Vice-President Edward A. Woods, the Utah association sent the following telegram to Hon. Reed Smoot and Hon. George Sutherland, of the United States Senate:

"In behalf of the present and prospective policyholders, we earnestly protest against the proposed stamp tax on new life insurance policies and ask you to urge Chairman Simmons, of the Finance Committee, to eliminate the stamp tax on life insurance. No other civilized country on the globe has ever taxed life insurance even in war times. England goes so far as to exempt from income tax all moneys paid for life insurance premiums up to one-sixth of entire income. The proposed tax is a burden placed upon individuals who seek to

relieve the State from the care of dependents and who are now subject to 57 varieties of taxation by the various States and by the Federal Government. This tax has grown from two millions in 1890 to over 13 millions at this date, and mulcts every widow in the United States \$70 on every thousand of death claim, affecting over 25,000,000 people."

AGENTS WHO REPRESENT THE PENN MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

HAVE AN INSURANCE CONTRACT
TO PRESENT WHICH IN THE SUM
OF ALL ITS BENEFITS IS UNSURPASSED
IT IS BEST NOT JUST ONE WAY
BUT BEST ALL WAYS
AND ALWAYS

BACK OF IT IS A SIXTY-SEVEN YEAR
REPUTATION FOR FAIR DEALING
WITH ALL ITS POLICYHOLDERS WHETHER
CONTINUING, WITHDRAWING, MATURING
OR DYING

Continuous Income Policy

Guaranteeing \$50.00 per Month

Payable to the Beneficiary for Life

A minimum of two hundred and forty installments certain, with additions from

Surplus Interest Earnings

Insured Age 45 Beneficiary Age 40

Gross Annual Premiums.....\$371.50

First Dividend current schedule.... 68.18

Net Premium for Second Year.....\$303.32

Dividends may at option of insured be applied to payment of premiums, or used to purchase paid up additions, or left to accumulate at interest.

Union Central policies have reserve selling force!

Your guns are not all fired after "talking up" the importance of insurance, and the service, strength and prestige of this company. If the prospect still wavers, you can close him with the sales-clinching point that features every Union Central policy—the extremely low net premium rate. Note the typical policy shown here.

We offer a splendid proposition to progressive men—write for details to JESSE R. CLARK, Pres., or Allan Waters, Supt. of Agents.

The Union Central Life Insurance Co.
OF CINCINNATI



THE LYONS PRINTING COMPANY

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A MODERN PLANT
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Utica.

The Utica association held its first meeting of the season on the 2d inst. at the Frantz Inn. Report was made that the State Department of Insurance had very courteously received the request of the association that the license of a certain local agent be canceled. This action has been taken by the Insurance Department.

Plans were made for having five-minute discussions at future meetings, on topics of interest to solicitors. Three topics will be offered, and discussion on any permitted. The topics selected for the next meeting are as follows: "Following-up Settlements," "Policy Preferences of Agents," "Constructive Rather Than Competitive Solicitation."

James P. Mulhall and W. H. Shaw were appointed to look into the matter of rates and plans for having an advertisement printed in the local papers listing the names of all members of the association and specifying the companies represented. The object in view is to create a class distinction between members and non-members in the minds of the public.

Wichita.

An address by former Senator Chester J. Long was the principal feature of the November meeting of the Wichita association, which was held on the 7th inst. Mr. Long discussed the value of legal reserve life insurance, and spoke at some length on the subject of "Local or State and National Regulation of Life Insurance."

Youngstown.

At the October meeting of the Youngstown association, which was held in the Y. M. C. A. Hall, an amendment to the by-laws was proposed with a view to changing the time of the annual meeting to January. Reports of various committees were delivered, and the attitude of Government officials toward life insurance and life insurance agents was the subject of discussion.

12 Million Policies in Force

A Great Public
Tribute to The
Prudential and
its agents.



Agents Wanted.

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

FORREST F. DRYDEN, President.

Home Office, Newark, N. J.

Incorporated as a Stock Company by the State of New Jersey

No Grumbling Here!

Thus far our new business for 1914 exceeds that of the same period in 1913, both delivered and written. Our representatives are PROSPEROUS, not grumbling—are WORKING, not talking war. They have modern policies, low net cost, effective literature, a first-class agency magazine and happy relations with the Home Office.

Occasionally we have a general agency opening.

JOSEPH C. BEHAN, Supt. of Agencies

**Massachusetts Mutual
Life Insurance Company**

Incorporated 1851

Springfield, Mass.

ÆTNA Life Insurance Co. OF HARTFORD, CONN.

ISSUES BOTH

Participating and Non-Participating
Life and Endowment Policies
Also Non-Participating Term Policies

Agents will find that the policies of this Company cover a wider range and provide greater benefits than others, and are therefore easiest to sell.

Experienced and successful men, also successful men without life insurance experience, may find satisfactory opportunity with the AETNA LIFE. Address:

FRANK BUSHNELL, Agency Secretary,
HARTFORD, CONN.

or **T. B. MERRILL, Supt. of Agencies,**
1005 Insurance Exchange, 175 W. Jackson Blvd, CHICAGO.

Life Association News

OFFICIAL ORGAN OF THE NATIONAL ASSOCIATION OF LIFE UNDERWRITERS

Entered as second class matter, Feb. 4, 1907, at the Post Office at New York, N. Y., under the Act of Congress of March 3, 1879.

Vol. 9.

NEW YORK, DECEMBER, 1914.

No. 4.

RELATION OF LIFE INSURANCE TO THE CREDIT FABRIC OF BUSINESS.

LIFE INSURANCE COMPANIES THE GREATEST INVESTMENT BANKS IN THE WORLD, AND UPON THEM RESTS THE SAME RESPONSIBILITY AS TO CREDITS AS RESTS UPON OTHER FORMS OF BANKING.

Asset Side Deals Wholly With Credit and on Liability Side Outstanding Insurance Depends Upon Credit with the General Public and Their Belief in the Honesty and Efficiency of Management and Financial Ability.

By Hon. A. Barton Hepburn, Chairman of Board of Directors, Chase National Bank, New York City.

Mr. Hepburn delivered this address at the Eighth Annual Meeting of the Association of Life Insurance Presidents, December 10, 1914. It was by means of a life insurance policy that Mr. Hepburn received his education. This article is commended to the reader not only because it is eminently authoritative, but because it is a veritable storehouse of ammunition for the firing line. Particular attention should be given to what Mr. Hepburn terms "The Psychological Significance of Life Insurance."—Editor's Note.

I am asked to discuss "the relation of life insurance to the credit fabric of business" from the viewpoint of a banker.

In 1879 I was chairman of the Assembly Insurance Committee of the New York Legislature, a position unsolicited and undesired, but a position which forced upon me more or less study of the subject of life insurance. The Continental, Knickerbocker, Globe and other companies failed, and the failures were bad ones; public sentiment was greatly aroused and the demand for immediate legislation was importunate. All attempts at legislation that year failed, because every measure was loaded down with punitive provisions, *ex post facto* provisions, not only unwise but unconstitutional. It required the lapse of a year for the temper of the public to cool down sufficiently to permit of the enactment of wholesome legislation.

Great Investment Banks.

In 1879 the total resources of the Prudential Insurance Co. were \$201,891, and outstanding insurance was \$3,866,913; in 1913 the total resources of the Prudential had grown to \$335,478,783, and outstanding insurance, ordinary, to \$924,362,877; industrial, \$1,462,515,043. In 1879 the resources of the Metropolitan Life Insurance Co. were \$2,022,482, and its total outstanding insurance amounted to \$11,150,349; in 1913 the total resources of the Metropolitan were \$447,972,405, and outstanding insurance, ordinary, amounted to \$1,038,089,393; industrial insurance amounted to \$1,778,415,069. The aggregate resources of the New York Life, Mutual, Equitable, Prudential and Metropolitan were, in 1879, \$166,296,822, and their aggregate outstanding insurance was \$603,553,606. According to their reports for 1913, the aggregate resources of these companies had grown in the intervening 34 years to \$2,694,591,746, and their outstanding insurance had reached the enormous total of \$7,325,711,135 of ordinary insurance, and, including the industrial insurance of the Metropolitan and the Prudential, the grand total reaches \$10,566,042,247.

I have presented these figures in this way in order to emphasize the fact that these institutions are the greatest invest-

ment banks in the world; and, indeed, they practise a measure of commercial banking, since life insurance companies have adopted the policy of loaning to the insured upon their policies as collateral. A contractual obligation is written into the policies, whereby they agree to loan a certain percentage of the surrender value at a fixed rate of interest at any time when the insured may require the same. Policyholders are coming to realize this privilege and the volume of these loans is constantly on the increase. The aggregate amount of such loans, according to the 1913 reports of the five companies above named, was \$356,280,312.92. Such loans, of course, offset and reduce the amount of insurance. Such disadvantage must be more than counterbalanced, in the opinion of life insurance managers, by the commercial value, the availability as collateral, which the borrowing privilege gives to the policy.

The Asset Side.

The asset side of life insurance may be classified as banking—in one form or another. Should not the banking character of life insurance companies impose upon them, measurably, the same obligation to support the credit fabric of the country as rests upon other forms of banking? If savings banks, trust companies and commercial banks are required by law to keep a reserve against their liabilities, should not life insurance companies, in the conservatism of good management, keep liquid funds available in case of need? Should not the liquid character of their assets contribute to the general protection of the public credit in times of stress and stringency? I by no means lose sight of the differentiation between life insurance and banking, and I am not advocating fixed legal requirements of reserve, but in view of the policy loans to the insured, it can no longer be said that a man must die before any demand upon the company can result from his policy of insurance.

My understanding is that the wisdom of such a general policy was recognized and practised up to the time of the recent insurance investigation. Then large bank balances were paraded, coupled with the charge that they were excessive,

maintained as a matter of favoritism in institutions whose stock was largely owned by the trustees, or where the trustees were especially favored in respect to loans. To the extent to which such charges were true, it represents, of course, a wrong which rightly called for correction. That time and those conditions have passed, however, and the proper relation of life insurance management to the credit fabric of the country is, it seems to me, a question of importance calling for careful consideration on the part of life insurance managers.

As to the liability side, the functions of an insurance company are not eleemosynary; they do not give alms, but they do sell protection, they insure against the extremes of misfortune and graduate the vicissitudes of life; they are not money-making institutions, but enable the general public to mutualize their strength and helpfulness and minimize the loss and hardship which would otherwise exist. That is the attitude which the companies have assumed and which the public has accepted, and now insist that such relationship shall be maintained.

Limitation of Dividends.

Some companies are capitalized, but public sentiment limits dividends to a very moderate percentage and insists that all overplus earnings be held for the benefit of the policyholders. All companies are essentially mutualized in their administration; the amount received in premiums exceeds the amount paid for losses only by an amount representing the cost of management and a proper and wholesome reserve. All benevolent work deserves commendation. The figures I have given you, showing the growth of life insurance in force, show the public appreciation of this greatest of all humane instrumentalities for equalizing the burdens and alleviating the sufferings of mankind which would otherwise exist. Time was when a life insurance agent had to weave a spell, to fascinate with fluent phrase, to induce the sale of a policy. Now, if a business man is known not to have a life insurance policy it excites the query, "I wonder why?" Of course, the premiums exceed the death losses, and long years of payment enable the companies to meet the presently occurring losses. I have never known anyone to regret these constantly recurring payments, year after year, and all the while the insured has had protection. Anxiety and worry yield to the comforting conviction, day by day, that his insurance will enable his estate to make full restitution to those who have given him their confidence and credit, or, better still, that his insurance will care for and maintain his loved ones when his supporting hand no longer avails.

The Good Book tells us that "a contented mind is better than great riches." Life insurance has been most effective in bringing the contented mind within the reach of all.

Subsisting on Credit.

Life insurance companies and banks both deal in credit and subsist upon credit, and both draw from the public the financial resources with which they in turn serve the public. The reservoir, filled by the inflowing stream of premiums, is drained by the outgoing current of ascertained losses. The asset side of life insurance deals wholly with credit; on the liability side, your outstanding insurance depends upon your credit with the general public, upon their belief in the honesty and efficiency of your management and your financial ability to meet the obligations contained in such insurance. You would not insure a known crook, however flattering your physicians might report his physical condition to be, nor would a bank make a loan to a known crook, however choice the collateral offered might be. To quote the late J. P. Morgan, "Character is fundamental in all business transactions, or should be." The exigencies of business compel us to have arm's-length relations with all sorts of people, but we establish a community of interest only with those whom we trust and whose character we believe to be worthy and well established.

Fifty or sixty years ago banks of this country did business upon their capital, reinforced, in many instances, by the issue of bank note currency. The money of the people and cor-

porations was in active use—bank deposits were negligible. The growing wealth of the country has changed this, and now the business of banking is done upon deposits, capital and surplus being only sufficient in amount to margin the business and command public confidence.

The individual wealth of our citizens has made banks more and more dealers in credit, by furnishing the major part of their banking power, by giving the banks credit, in form of deposits, as well as by utilizing their credit with the banks. If a man or corporation wished to open an account, the matter of investigation as to the individual or the individuals managing the corporation would first be directed to their character, honesty, temperance, sobriety, industry, forethought, efficiency, prudence, the quality of looking ahead and providing for eventualities, and their financial resources and property strength.

An Important Question.

The initial inquiry would naturally take the form of a personal interview, and at some point in such an interview between a banker and a would-be depositor or debtor the inevitable inquiry would suggest itself, "Have you any life insurance, and if so, how much, and in what countries? Does it run to your estate or to some named beneficiary?" Such an inquiry would be important because of its bearing upon his financial power, but vastly more important as showing his trend of mind, the extent to which he assumed personal responsibility, whether he was caring for the present and immediate future only, or whether the range of his vision and his activities looked to the protection of his estate and his family after his demise. (We live under the shadow of the Stock Exchange, and it may be well to remark that money on the Exchange is, theoretically at least, loaned to the highest bidder, and such loans are an exception to all usual credit rules.) The quality of mind which induces one to take out life insurance is the quality of mind that best insures success in business.

The business of the world is dependent almost entirely upon the maintenance of credit relations among men. If we ever lose sight of this fact, its truth is presently borne in upon us by some financial depression, panic, great labor strike or war.

Faith in Promises.

Business transactions on a large scale, such as we of the age have become accustomed to regard as matters of course, but which would have been the marvel of earlier generations, arise out of man's faith in the promises of his fellow men. Agreements to do or not to do certain things, which in diplomatic circles may sometimes be regarded as "mere scraps of paper," but never in business circles, afford the means by which commerce of present-day magnitude is carried on throughout the world. Credit of the kind we are considering may almost be defined as man's faith in man and in man-made institutions.

We have established a new banking system, to the end that we may have better credit facilities. The President of the United States took occasion to refer to the importance of the event, saying, among other things, that "credit is the very life of trade, the very air men must breathe if they would meet their opportunities." And so, indeed, it is.

It is almost as difficult to separate the matter of credit from our daily deals and examine its constituent elements as it is to isolate a particular bacterial cell from thousands of others for the purpose of studying its peculiar characteristics, so intimately is credit intermingled with every business transaction. Even in sales where men feel that they are trusting nobody, we find credit involved in the currency that is being paid in the "cash transaction."

The machinery of credit is made up of governmental agencies, banking institutions, customs of business, courts for the enforcement of contracts and in many other practical devices having their origin in law. But underneath the great street structure lies the credit foundation, consisting of ability and determination on the part of men to meet their obligations at maturity.

It has been the custom of business men, in extending credit, to lay much stress upon financial ability to pay, and this element, coupled with laws which make it possible to enforce payments when property is available for that purpose, is of great importance. But does not the average business man put too much emphasis upon a man's financial ability to pay and too little upon those personal traits which are comprehended within the general term "determination to pay"? In other words, do we not pay too much attention to property qualifications and too little to personal qualities? The law's delays and the law's circumvention permit property to melt away, but the element of personal honesty and the quality of efficiency do not change with time.

Means of Circumventing Disaster.

With such thoughts in mind it is interesting to note the activities of life insurance companies in urging life insurance as a means of circumventing the disaster almost sure to follow in cases where death removes from the management of a business the man whose foresight and ability have made the business a success. Of course, the mortality chances in such cases, under the law of average, may not be very great, but they are chances which a concern dependent largely upon one life may well hesitate to take. Hence the growing custom to shift the risk to a company, which by insuring many lives, invokes the law of average, thus making certain that its losses shall not in the aggregate be abnormal. I am told that this kind of insurance is now being written in large amounts to cover not only the dependence of one partner upon another, but also of corporations upon their managing geniuses, their inventors and other persons upon whom success is largely dependent. Life insurance is also being made to serve the useful purpose of insuring creditors against the death of debtors whose ability to pay their debts is more dependent upon their living than upon the amount of property they may own. I borrowed money to finish my education and had my life insured as collateral. The party making the loan believed I would repay the same if I lived, and that the insurance company would if I did not. These useful functions tend to remove uncertainty and chance of loss from daily business transactions, which is most important in establishing and maintaining credit relations. It shows how rapidly and how intimately life insurance is being interwoven with current business.

The Psychological Significance.

There is another feature of life insurance about which I would like to speak, and on which I would lay much emphasis, because I feel that it has not been fully appreciated. I hardly know what to call it, unless it be the psychological significance of life insurance as it should be viewed from a creditor's standpoint.

When it comes to extending credit, the average business man does not, perhaps, have in mind any set of rules or formula. He does not attempt to analyze and catalogue the qualities the applicants should possess as a basis for the credit they ask. He reaches a conclusion by the short cut to which he is accustomed, viz., the man's manner, appearance, reputation, financial standing, and somewhat by his words and promises. He should in some way, either general or specific, by inquiry or intuition, seek and obtain answers to a number of questions such as these: Has the man ability, self-control, prudence and forethought? Is he cautious, frugal and normal in his habits of life? Has he a sense of justice and a proper regard for the rights of others? Is he accustomed to assume responsibility, and does he understand the need for being prepared to meet emergencies? Is he home-loving, industrious and mindful of duty? Is he progressive, and likely, therefore, to keep pace with his competitors? Does he know how to get money's worth for money expended? Is he fickle and erratic, or are his habits fixed and his purposes in life well defined? Has he integrity and reputation and does he cherish his standing among his fellow men? Is he selfish and self-centered, or does he think of others, and especially of wife, children and those who may be dependent upon him? Surely it will require no argument before a group of life

insurance experts to prove that a careful and detailed inquiry as to the life insurance a man carries would shed light upon each of the questions I have attempted to formulate and to which many others of similar import might well be added. Suppose, for example, in seeking information as to a man's forethought, prudence, caution, frugality, unselfishness, reliability and other qualities which go to make up high character and good repute, we should ask how much life insurance he carries, of what kind and for how long has it been carried, in what companies has it been taken out, and is it for the protection of the family or the business, or both? Could we find anywhere better evidence of the working of the man's mind, of his habit of life, of his sense of responsibility, and, in fact, of all those qualities upon which we must rely for fulfilment of promises so far as personality is concerned? Of course, inquiries concerning a man's life insurance will not answer all of the questions involved in the matter of extending credit, nor any of them conclusively, but I doubt if there is any one line of inquiry that could be made of a man who has reached middle age, after having been engaged in business for several years, that would come as near showing both ability and determination to meet obligations and keep promises.

Uninsured Viewed with Suspicion.

The need for making such inquiries is of growing importance. There was a time when it was the rule, even among conservative business men, to carry largely, if not entirely, risks of fire, accident and death, against which to-day it is almost the universal custom to insure. Then a lack of life insurance did not carry special significance. Now the failure of a man to take the precautions which are commonly taken by his fellow men is a fact of such importance as to put the prospective creditor on notice and call for careful inquiry as to why he thinks he can disregard what has come to be the common judgment of mankind. Or, to put it another way, the man a generation ago who carried life insurance of large amount was so exceptional as to excite inquiry as to his reasons and motives for so doing, while to-day it is the man who thinks he can afford to do without life insurance that is subjected to inquiry.

Banks have long been accustomed to ask large borrowers for a statement of the life insurance they carry, and it seems to me that commercial agencies, like Dun's and Bradstreet's, should ask for similar information for use in reaching a conclusion as to the credit rating to which a man is entitled. Such information is certainly valuable contributory evidence.

Habits of Mind Disclosed.

In urging the psychological element in credit transactions, as disclosed by the life insurance a man carries, I have in mind largely those dealings in which security is neither asked nor expected—dealings in which property is exchanged for mere promises to pay. As to such transactions, faith is, and must be, put in a man who makes the promise, and in his habits of mind and conduct, which have crystallized into what we are accustomed to term reputation. I fear we sometimes overlook the fact that in making inquiry about a man's property and the profitableness of his business we are really seeking information concerning the qualities which have led to his success in business. It has occurred to me that the combined records of life insurance companies, showing those who have insured and carried insurance for some time, those who have borrowed on their policies, and those who have not committed this offense against their beneficiaries, would afford an excellent credit rating of the men whose names would thus appear. It is almost regrettable from the credit standpoint that such information must be deemed confidential by the life insurance companies. Men seem to pride themselves upon their property ownership and do not object to its being known in business circles, partly, no doubt, because this is customary and generally regarded as evidence of the possession of those characteristics which give reputation and standing among their fellow men. Would not public knowledge of the insurance they carry also contribute to their credit standing in the community?

The potent factor, the all-important factor in every business, is the management. Would you insure the machine and not the man? By every rule of prudence and conservatism, is not life insurance just as indispensable to credit as fire insurance?

Banking renders an indispensable service to the public and realizes its profit in the aggregation of very small percentages in multitudinous transactions. It is managed as a business and for gain. Life insurance management seeks no profit in the usual sense of that term; it holds and uses all net earnings for the benefit of the insured; the insured seeks no personal profit or advantage, but strives to protect his credit, shield his family and soften for them the asperities of life after he has passed beyond the realm of personal activity. Life insurance is unselfish; it is the tangible result of the better motives of human nature embodied in the form of practical relief; although interwoven with and closely allied to business, its impulse and its execution are sociological, altruistic; it is the regard for one's credit and the love for one's family, incarnate in tangible, enforceable contract, a beneficent instrumentality, which enables the dead hand to control, in order to sooth, assuage, cherish and support.

Never Ask a Prospect His Age.

An insurance salesman should never ask a prospect his age. The writer blundered a few years ago by asking this question of a certain county official. Unfortunately for me, his stenographer, a very attractive young lady, sat near him and overheard the question. My prospect squirmed in his chair for a second and, when he had sufficiently recovered, resented my inquiry with some vehemence. The gentleman was a real prospect to whom I had been directed by a satisfied client. I had thus unwittingly ruined my chances for securing the business and I withdrew as gracefully as possible under the circumstances. Since then I have carefully avoided asking men their ages. Instead, I quietly, and as unconcernedly as possible, inquire the date of birth. A moment of mental calculation supplies the information and my prospect remains unperturbed.—*George R. Craft.*

The Personal Equation.

Every general agent—and special agent, too, for that matter—should use the greatest care in maintaining his personal credit; an unpaid bill or an overdue note has a direct bearing upon the persistency of business. A general agent should always belong to the best club in his city, he should move only in the best society, and he should give a sincere and hearty support to the cause of civic betterment and every other good cause. He should live and dress well, not like a self-indulgent millionaire and a dandy, but as a man of standing and as a gentleman should dress and live. And he should cultivate the acquaintance and the fellowship of the best people in his city. This does not require a flashy and extravagant style of living, or the spending of one's time in a round of social gayeties; it requires merely the maintenance of natural and proper social relations and the doing of one's proper part in society.—*C. W. Van Tuyle.*

System in Canvassing.

The greatest argument in salesmanship is phrased in two words, "systematize yourself." Create a system and stay with it, improving yourself as you go. Seek channels of information. Be a close reader of the daily papers, keeping track of men and events. The world moves, men travel—it is a psychological time to approach a prospect. Create plants—that is this—start with some head man in a big institution, write him up, and then go down the line with all classes of employees. It will surprise you how many liberties are granted you after having become acquainted in such institutions.

Above all else, never say a thing that you cannot back up in the policy contract. Hold a claimant in the same attitude that you would a prospect—play the game square with everybody and yourself, give the company just consideration in all deals, and then, if you don't succeed, get out of the game.—*Louis Rolfe.*

EIGHTH ANNUAL MEETING OF THE ASSOCIATION OF LIFE INSURANCE PRESIDENTS.

Much Attention Given to a Consideration of the Common Interests of Life Insurance, Education and Business
—One Entire Session Out of Four Devoted to a Discussion of Educating the Women, or "Fireside Campaigning."

With the intention of discussing the particular features which are common to the interests of life insurance, education and business, the Association of Life Insurance Presidents began the first session of its Eighth Annual Meeting on the morning of Dec. 10 at the Hotel Astor, New York City. These three great features of American economics were viewed from many angles by speakers eminent in their respective spheres of activity. The addresses delivered were not only enlightening, but, in view of the prominence of the participants, may in several instances be regarded as distinctly authoritative.

The morning session was opened by Robert Lynn Cox, counsel and general manager of the association, who, after a few remarks, introduced President Jesse R. Clark, of the Union Central, as chairman of the meeting. Mr. Clark dwelt briefly on the objects of the association over which he was presiding, and in the course of his remarks claimed that with enlightened public opinion there was no room in the business for an ignorant solicitor. The speaker did not hesitate to say that much had been accomplished in educating the agent by the National Association of Life Underwriters, and referred to its present campaign of education and conservation as a step decidedly in advance of the times. He told how the Association of Life Insurance Presidents had endeavored to co-operate with all branches of the business, whether organized or not, and spoke of its work in encouraging the introduction of life insurance in the curriculum of schools and colleges.

Hon. A. Barton Hepburn, chairman of the board of directors, Chase National Bank, New York City, was the next speaker, and his subject was "Relation of Life Insurance to the Credit Fabric of Business."

Mr. Hepburn's address is of such importance to the solicitor and carries such a wealth of field ammunition, that no attempt is made to summarize it here, and it is given in its entirety elsewhere in this number.

Response of Educational Institutions.

John H. Finley, LL.D., commissioner of education for the State of New York, delivered a remarkably interesting address on the subject of "Response of Our Educational Institutions to Present-day Business Needs." Professor Finley's address was wonderfully comprehensive and erudite. He discussed "the business in life and the business of life," the former having to do primarily with securing a livelihood, the latter with developing and perfecting an individuality. His object, so he stated, was to intimate under what conditions education should respond to business in life needs. In summing up, Professor Finley said:

First, of all, it *must* respond; and it must respond for the reason that the people as a whole should have the fullest advantage in productivity of the knowledge and skill which has been developed in any part of this complex, highly specialized struggle for the existence that must give basis to a higher, happier, richer, business of life.

Second, that response should, must conserve and stimulate that most precious factor of all human energy—initiative and responsibility with fluidity or mobility.

Third, there should be persuasive guidance of competent advisers as to capacity, and prophets of opportunity instead of coercive predestination by State or of ancestry or social status.

Fourth, there must be co-operation within a community to attain voluntarily the fruits of an imposed efficiency.

Fifth. But at the bottom of all there must be thorough training of the man-man in the fundamental wis-

doms and skills of the race, and his education through those disciplines by which come reverence, respect for the common will, accuracy, promptness and dynamic honesty, and without which there can be no response to business need, whatever the special training may be.

Arthur Hunter, actuary of the New York Life, and chairman of the Central Bureau Medico-Actuarial Mortality Investigation, in an address on "Can Life Insurance Experience Be Applied to Lengthen Life?" concluded the morning session. Mr. Hunter took an affirmative stand in answering this query, but claimed that great difficulty arose in putting such information before the public in a form which could be readily understood. He explained that 43 of the leading life insurance companies of the United States and Canada decided, in 1909, to prepare their respective experiences on many different classes of insured. The investigation was put in the hands of the Actuarial Society of America and the Association of Life Insurance Medical Directors. Records with regard to 2,000,000 lives, covering a period of 25 years, were supplied. It took the central bureau about three and a half years of continuous labor to produce the results, using the most up-to-date machinery in the way of electric sorters and tabulators. The object of the investigation was to determine, from past experience, the types of lives among which the companies had a higher mortality than the average.

The relative mortality was determined in 97 different occupations. The speaker discussed the statistics of only a few of these occupations, namely, railroading, the mining industry and the liquor business. The extra mortality on men who admitted that they had taken alcohol occasionally to excess in the past, but whose habits were considered satisfactory when they were insured, was 50 per cent.

Effect of Alcohol.

In speaking of the effects of alcohol Mr. Hunter said:

If the Government of Russia carry out their present intention to abolish permanently all forms of alcoholic beverages, the saving in human life will be enormous. It is not too much to say that the loss of 500,000 men as the result of the present warfare could be made good in less than ten years through complete abstinence from alcoholic beverages by all the inhabitants of Russia. In the New York Times of Nov. 19 a former member of the Duma, a man who has worked for prohibition in Russia for many years, Michael Demitrovitch Tehelisheff, states that already the results of the abstinence from vodka are seen in the peasants; "they are beginning to look like a different race." He states that in the factories the efficiency of the worker has greatly increased, that women and children who suffered from violence of the husband and father through his addiction to vodka "suddenly found themselves in an undreamed-of paradise. There were no blows, no insults, and no rough treatment. There was bread on the table, milk for the babies, and a fire in the kitchen."

He also enumerated results which were secured with regard to syphilis, pleurisy and tuberculosis. In speaking of the influence of overweight on mortality, he said:

Influence of Overweight.

There is no doubt that marked overweight has a material effect in decreasing length of life, especially at the middle and older ages. For example, among men 40 pounds above the average weight the lifetime of those who entered the companies at age 45 was about four years less than that of men of normal weight. The public should understand that marked overweight is a serious handicap to length of life, and that the adage, "Laugh and grow fat," is not good advice for the man or woman who is inclined to be heavy. Diabetes, Bright's disease, heart disease and apoplexy cause a large proportion of the deaths among the overweights. While the overeater is not such a bad social influence as the excessive drinker, the former is also shortening his life by lack of moderation.

Rudolph Hering, sanitary and water engineer of New York, opened the afternoon session with an address on "The Relation of Sanitary Engineering Works to Public Health." He discussed water supplies, air supplies, street cleaning, river cleaning, refuse removal and sewage removal.

"Live a Little Longer—the Rochester Plan" was the subject of an address by Miss M. E. Bingeman, secretary of "Live a Little Longer" general committee, of Rochester, N. Y. A brief outline of the Rochester plan as given by Miss Bingeman is as follows:

The Board of Education engaged two teachers, one a doctor and one a nurse, to give lessons bearing directly on health and life conservation; for example, what diseases are preventable; how to help to keep them from the home, and also by community effort, from the community; how the body can be made more resistant to disease; how to nurse scientifically when home nursing is necessary; how to observe, record and report symptoms; what to do in emergencies arising in the absence of doctor or nurse, and when to do nothing until the doctor arrives; what is proper food for sick and well, and how it should be prepared; how to care for children, keeping them, as nearly as possible, in perfect health, and teaching them, as they grow older, that they have a better opportunity to keep their health than has the best physician or surgeon in the world to give it back to them once it is gone.

"Live a Little Longer" Movement.

The classes—to membership in which women 18 years old and over are eligible—are taught in the public schools outside of school hours, that is, between 4 and 5 in the afternoon. Evening courses are also to be begun. By giving these health courses in one school after another—or in one group of schools after another, they will eventually be within walking distance of every woman in the city; when it will be time to give them again in the schools which had them first. This is to keep on continuously. The course, as now given, consists of 12 lessons, two a week for six weeks; and can easily be repeated five times a year in succession, with as many running concurrently as is deemed advisable. To keep the classes down to between 20 and 50 is desirable, as in that way pupils are certain to receive greater benefit. This can be done by making the round of the schools with sufficient frequency.

The lessons are accompanied by illustrations or demonstrations, as the case requires. There is the manikin of the body for physiology; a baby or big doll when the care of the infant is under discussion; a patient and bandages for first aid lessons; a bed—with bedding and patient—for the lesson in taking care of a bed-ridden patient—how to make the bed with the patient in it, giving bed-baths, etc.

While the advantages accruing in the conservation of life were apparent, public interest was not aroused in Rochester until the Life Underwriters' Association indorsed the plan, and immediately with the consent of their companies informed their policyholders about the health classes. The specific advantages which would accrue to life insurance men interested in the Rochester plan are the probable increase of amount in insurance written, by decreasing the percentage of risks refused. Also the elimination of much sickness, which is such a prolific cause of applications for loans, which naturally result in many cases of lapsed policies. Miss Bingeman's arguments were received with much interest and close attention.

Life Insurance for Women.

Chairman Clark then introduced Herbert C. Cox, president of the Canada Life Assurance Co., Toronto, Ont., who discussed "The Increasing Need of Life Insurance for Women." Mr. Cox traced the mortality experience with women down to 1661, where the combined experience table of mortality seemed to demonstrate that the greatest reliance could be

placed upon a table which was based on male lives exclusively, as it was shown that the mortality among insured females was higher than among insured males. Recent investigation by the Actuarial Society of America proves this to be true, although it is apparent that there is great longevity of women in general. This is due to the fact that a large proportion of insured women are self-proposed applicants, and if the same procedure were adopted with regard to men, mortality experience would probably be relatively similar. Mr. Cox called attention to the fact that probably less than 7 per cent. of insurance risks are upon the lives of women. "It would seem," said he,

Greetings from Other Organizations.

that the life insurance companies have a duty in respect of these women who are sharing in the erection of our business and social structure, that our institutions should approach the obligation in the light of its broader relation to the community at large, and that, looking to its adequate discharge and the satisfying of the increasing insurance need of our women, we should set in motion whatever of machinery we may have or may be able to devise, having always in mind that it is also laid upon them by their relation to the State to make, even at the cost of some individual discomfort, ample or possible provision for the perpetuation of their earning capacity in its application to others.

At the request of Chairman Clark, E. W. Randall, president of the Minnesota Mutual Life, as well as president of the American Life Convention, conveyed the greetings of the American Life Convention, and expressed an appreciation of the common purpose and interests of the two organizations. He voiced the hope that there might be earnest co-operation in all of the many lines of efforts for the protection and up-building of Life Insurance.

The Canada Life Officers' Association was represented by T. B. Macauley, managing director of the Sun Life Assurance Company of Canada. In the course of his remarks, the speaker emphasized the fact that Canada is governed by a constitution which is called "The British North America Act, which decides the taxation powers of the provinces, and the Federal Government. Under the act the provinces may impose direct taxes, but cannot impose indirect taxes. Mr. Macauley stated that if it could be shown that the tax on Life Insurance premiums is an indirect tax, and that it is not born by the companies, but by the policy-holders, that there was good possibility of proving that the tax was illegal.

Address of Hugh M. Willet.

Hugh M. Willet, president of the National Association of Life Underwriters, spoke briefly but pertinently of the plans and purposes of the organization which he represented. He said in part,

We have largely gotten rid of such things as rebating and twisting, and our association, in co-operation with yours, is entitled to much of the credit for the improvements in field conditions which we have all noticed during the past few years. We are working hand in hand with you, along an educational program. We have in more than 50 of the schools and colleges, life insurance courses, and these are becoming more thorough each year. One thing that has hampered us in the past has been the want of a real text book which covers the whole field thoroughly, and under the auspices of the National Association there is being prepared now a text-book which will soon be ready, which in the breadth of its scope and in the character of its treatment I believe will surpass anything that we have yet had. We hope to have that ready for the schools with the beginning of the next fall.

Within the last year or two, the National Association has taken up this work of taxation. The burden heretofore has been borne by the companies and they have borne it well, but it seemed to us that there was an opportunity for the National Association to help in this work. And

so, in addition to our Committee on Law and Legislation, which co-operates with the Presidents' Association and has co-operated so well for many years, we have appointed a Special Committee on Taxation, and that committee has helped your association in defeating two measures of National import. I refer to the removal of the taxes which were intended to be included in the Tariff Bill about a year ago, and then more recently the leaving out of the proposed stamp tax on life insurance policies. This Association is not disposed to take to itself any credit whatever for these victories, beyond the fact that it co-operated with the Presidents' Association and with the companies, and that altogether, with a united front, they were able to convince Congress of the unwisdom of that tax.

In conclusion, Mr. Willet called attention to the coming convention of the National Association, which will be held in San Francisco on August 10, 11 and 12. He extended a cordial invitation to the Life Insurance fraternity in general, and suggested that companies which proposed to have agents' conventions next year arrange to have those conventions held in San Francisco just before, or just after the National Association convention.

Officers Elected.

An executive session was held for the purpose of electing officers and the transaction of routine business. Officers were elected for the coming year as follows: Robert Lynn Cox, general counsel and manager; Alfred Hurrell, attorney; John J. Brinkerhoff, actuary.

The third session of the meeting was held on the morning of the 11th inst., at 10.30 A. M. After a few preliminary remarks relative to the Stamp Tax and its effect upon certificates of authority issued by the various State departments to agents, brokers and companies, Robert Lynn Cox announced that William H. Osborn, Commissioner of Internal Revenue at Washington, D. C., in response to a telegram from the Insurance Commissioner, was preparing a ruling which would hold that State certificates to insurance companies and agents required by State law before insurance can be written and licenses and not taxable.

Influence of Competitive Concessions.

Vice-President John B. Lunger, Equitable Life Assurance Society, delivered the first formal paper of the session, his subject being "The Influence of Competitive Concessions of Legislation." The first part of his paper pointed out the growth of the business during its years of expansion from 1880 to 1905, as well as the preceding period, which he referred to as years of development. He traced the influence of competitive concessions made between 1880 and 1905 on certain of the laws of 1906. He spoke of section 87, which limits the contingency reserve or surplus of the companies to a percentage of the net value of their contracts, which in a case of companies which net values in excess of \$75,000,000, is 5 per cent. thereof. In discussing this matter, he advocated the entire repeal of the section, but if this could not be done, he suggested that the section be made much more elastic.

The speaker then discussed section 83 which requires the ascertainment and annual distribution of surplus. He suggested no change in this section, except on policies issued on sub-standard lives.

The speaker had considerable to say with regard to section 88, which defines the surrender value of lapsed and forfeited policies, and that part of section 101 which relates to policy loans. He said in part,

Herein is the defect in the law. It should define a surrender charge adjusted to the kind and age of the policy; and then provide that no company shall guarantee in its policies, or pay in practice, a larger cash value than the reserve, less such surrender charge. If a surrender charge should be imposed in all cases when cash is taken the amount of such charge could be used to replace the retiring policyholder without casting the burden of cost on the persistent policyholders. If need be, it could be used as a compensation for a decline in values, unexpectedly high mortality or other contingencies.

Undoubtedly cash values are a great help in times of emergency. We must never forget that sometimes it is of more importance to protect the insured and his family while the insured is living than it is to protect his family alone after he is dead. But no policyholder should be permitted to retire and withdraw his entire equity in reserves, thereby transferring his share of any depreciation or other unfavorable contingency to those who remain.

To my way of thinking, the defects of the present situation are fundamental. Our cash values and loan values need to be brought down to the level that will not be an inducement to the easy forfeiture of the insurance, but which will tend rather to permanence in the carrying of the policy. I am aware that there is a body of opinion which believes that three or six months' notice of intention to borrow or to demand the cash value is a sufficient corrective. Believing as I do that the defects are fundamental, I cannot help feeling that a three or six months' notice is but a superficial remedy. Faults which are basic and have within them the possibilities of becoming a menace cannot be cured by postponement.

Educating Force of Insurance Department.

Hon. J. S. Darst, president, National Convention of Insurance Commissioners, discussed "The Insurance Department as an Educating Force." He claimed that the Insurance Commissioner, merely by the performance of his whole duty to its constituents, renders the greatest service to the legitimate insurance companies. "The Insurance Department," said he, "cannot play favorites; all companies are entitled to equal consideration, but it should be in a position to recommend the financial condition and methods of doing business of every licensed company. When a general inquiry is received as to a licensed company, the answer, 'It is licensed to do business in this State,' should be sufficient to cure all doubts."

Hon. Frank Hasbrouck, Superintendent of Insurance, Albany, N. Y., then delivered a paper on "Some Observations on Supervision." Mr. Hasbrouck's remarks were most interesting. Certain paragraphs which stood out prominently in the address follow:

In the first place, let me say that I conceive Insurance Departments were established with the primary objects of protecting the public from irresponsible and insolvent companies and to keep licensed companies in a healthy financial condition, and to insure their honest administration—hence, laws establishing the standards limiting investments to classes of securities of the soundest type, restricting expenses, governing administrative practices, and so on. I speak of these merely to emphasize the point that the financial integrity and repute of the companies doing business in a State must be the pivot around which all supervision gravitates. The sphere of departmental influence has properly widened and undoubtedly will continue to do so, but when any of its activities are not governed in the last analysis by their relation to the fundamental reason for the department's existence it is in danger of weakening its power as an arm of the Government.

Testing Legislation.

I feel that the test of the desirability of every new proposal for additional legislation on the subject of insurance is—Will it strengthen the companies affected; will it make the service they render their policyholders more efficient? If it does not measure up to either of these qualifications the department should discourage it. General Counsel William H. Davis, Pacific Mutual Life Insurance Co., was the next speaker, and his remark that the document which he placed before him on the speaker's desk was not as formidable as it looked, was apparently a source of much relief to his audience. His subject was "In Prevention of Verdict Before Trial in Life Insurance Cases." He developed his theme by stating, as a premise, that insurance cases are generally prejudged or decided, either by court or jury, before trial. This, he claimed, was because

of the prejudices existing in the minds of the general public against corporations. He declared that the pulpit, the press and the public platform had dealt with corporations as unholy creatures of unrighteous laws. Continuing, he said:

To these people I say, and I say it in all seriousness, that no business in existence is, as a rule, as well and honestly conducted and managed, so thoroughly supervised and checked, and so well safeguarded against business depressions and unusual events, which shake the strongest institutions in other lines of business, as insurance which is operated solely through the creatures of law called corporations.

Campaign of Education Suggested.

Mr. Davis unconsciously, perhaps, uttered a strong argument in support of the proposed campaign of the Education and Conservation movement of the National Association, as the following paragraphs bear witness:

Still, no one nowadays will say that corporations should cease to exist and that all business hereafter should be conducted by individuals and co-partnerships. There is more tolerance than there used to be; there should be more; people should know that the corporation is indispensable to our very commercial existence. The only really effective remedy is EDUCATION. The only way that this result can ever be attained, even approximately, is through educational influences. I don't want to be understood as advocating or as saying that insurance companies should take on themselves the onus of educating the world that corporations are a blessing, even if disguised, but I do assert that it is the duty of insurance companies to institute systematic and persistent efforts to enlighten all with whom they come into business contact on all subjects pertaining to the insurance business.

We should all use every effort to see that instruction in the elementary insurance principles is introduced into our common schools and colleges and made compulsory. The development of the business of insurance, its importance not only to the individual but to the community, demands that this be done, not only from the standpoint of life insurance, but from the standpoint of all classes of insurance. A former commissioner of insurance is, I am informed, engaged in the preparation of a text-book on insurance for use in the common schools, and I have no doubt that an entering wedge is alone required to accomplish the introduction of the subject as one necessary for the proper training of children. Of course, some of the colleges have established elaborate courses on insurance. As far as it goes this is valuable, but it is trifling in comparison to the great benefit which will be derived from proper compulsory fundamental training.

Fireside Campaigning.

The last session of the meeting was devoted to a discussion of "Fireside Campaigning." Chairman Clark in introducing the subject stated that while the agent transacts his business with the insured, there should be some method of impressing upon mothers and wives the value of life insurance; of getting a little closer to the family circle. The first speaker on the subject was Vice-President R. W. Stevens of the Illinois Life Insurance Co. It was the opinion of Mr. Stevens that fireside campaigning furnished a solution to the problem of how best to conserve the business. He mentioned the case of the farmer, where the fireside would be the place of natural selection for insurance canvass, and of prospects employed in offices or plants where they do not feel at liberty to use a part of the business day for the discussion of their personal affairs. The speaker took a unique view of fireside campaigning by questioning the advisability of initiating the insurance campaign at the fireside in many cases, but spoke strongly in favor of the fireside campaign after the insurance had been placed.

Vice-President and General Manager William C. Johnson of the Columbian National Life Insurance Co. presented his views upon the subject. He believed that the object of the subject under discussion could best be accomplished by in-

direction and claimed that when one household sees and knows the value of a steady income as the result of a contract made by the deceased breadwinner with an insurance company other families would naturally hear of the circumstances and take an increasing interest in the question of what insurance protection is carried for them.

Insuring a Man's Intentions.

Mr. Johnson laid particular stress upon insuring not only a man's life, but a man's intention, and said in this connection:

Often after the death of the holder of an income policy the lawyer or other adviser of the widow suggests that she seek to procure the commuted value of the policy in lieu of the income, and invest this sum herself. Unless the policy originally issued provided for a commuted value (as some of the older contracts did), it seems to me that for a company to pay a commuted value and so defeat the intention of the man who meant to leave an income is essentially immoral. I go further and suggest that when men depend upon us to provide incomes for a term of years or for life to their beneficiaries we should see to it that the policies are drawn so as to effectuate their purposes so far as is humanly possible. This can be done, though I am familiar with only two of the American companies which draw their regular income policies so as to render the income inalienable and similar to that receivable from a trust fund—yet the legal principles which permit it are clear. When the proceeds of a policy are payable absolutely to a beneficiary, the benefit vests in her the moment the insured dies. Obviously, if the policy is payable in one sum the company would have no right to dictate what she should do, or not do, with the money when it pays it over to her. The same is true if the policy is payable in instalments, if they are payable to her or her executors, administrators or assigns. Whether the benefit is payable in one sum or in instalments, if it is hers absolutely it vests in her at death, and her control of it is not legally subject to restraint.

There is, however, a well-established principle of the law regulating trusts which permits restraint to be placed upon the holder of a life estate. If, for instance, a man leaves to his widow a life estate in his home, the property to pass to his eldest son on the widow's death, then she can be restrained in the handling of the estate and may be denied, for instance, the right of tearing down, altering or rebuilding the house. This is because she is not an absolute owner, but merely has the enjoyment of the property during her lifetime.

Preventing Commutation of Income.

Applying this principle to income policies, in which 20 instalments certain are usually guaranteed whether the beneficiary lives to receive them all or not, the contract can readily be drawn so as to leave the beneficiary in the position of the holder of a life estate and so render effective a further agreement in the policy preventing the beneficiary from commuting or even alienating the income. This is rendered possible by merely providing that the 20 instalments certain are to be payable to the beneficiary if living, while if she dies before receiving all of them the remainder are to be payable, not to her estate, but to a third party—say, the estate of the insured. This leaves the beneficiary owning a life estate only, and justifies such an agreement between the insured and the company as will insure his intention as to the receipt by the beneficiary of an income, and prevent her disposing of it. I quote such an agreement as is now in use by the two companies previously referred to:

"It is specifically agreed between the parties hereto, for themselves and their legal representatives that the Beneficiary under this policy shall not at any time (without the written consent of the Insured in form satisfactory to the Company and filed with and accepted by it during the lifetime of the Insured) have the right to demand or receive in lieu of the instalments hereunder payable the

commuted value of the same, nor to borrow from the Company on the security thereof, nor in anywise to anticipate or alienate the benefits payable hereunder. Any person or persons, in accepting or acquiring any rights hereunder, shall be deemed thereby to expressly ratify this agreement and this policy in all its parts."

It seems to me that when we send out our agents to induce men unfamiliar with the details of the business to purchase income policies and depend upon our companies to pay incomes to their beneficiaries after they are dead, it is our duty to so draw our contracts that we may insure, not merely their lives, but their purposes. If the fulfillment of our income policies is going to be of marked service in educating the public to the true value of life insurance, we should draw them so that they will in truth fulfill the purpose for which they were purchased. As it stands now, under the majority of income policies, there is nothing in the contract to prevent the company from paying a commuted value if its managers see fit to so honor a request from the beneficiary in the future, nor to prevent the beneficiary from divesting herself of the income after the purchaser's death, by assignment or deed of sale.

Are Women to Be Held Responsible?

Edward D. Duffield, fourth vice-president and general solicitor Prudential Insurance Company, followed Mr. Johnson. It was his opinion that under-insurance is largely due to the fact that the insured is ignorant of the fact that he is under-insured; and that this is due, to a large extent, to the fact that those who are depending upon him are absolutely ignorant of the circumstances.

Second Vice-President George H. Gaston, of the Metropolitan Life Insurance Company, believed that from his particular viewpoint there was no noticeable indifference or opposition on the part of the wife or mother; that the situation is precisely the reverse.

Crawford H. Ellis, President of the Pan American Life Insurance Company, in the course of his remarks, said:

In the Life Underwriters Association of Louisiana, of which I had the pleasure of being president last year, we formerly had discussions as to the best means of writing life insurance, and we had our meetings monthly, and at nearly every meeting some one agent, a member of the association, would bring up the question of fireside campaigning and gave some concrete illustration of where it had served him in the completion of contracts. I was very much interested in what Mr. Stevens had to say about the conservation of life insurance through fireside campaigning, and there are many ways in which that can be done.

Among others who participated in the discussion were Fred W. Potter, manager of the Association of Illinois Life Insurance Companies; Third Vice-President Edward Gray, of the Prudential; Secretary Charles H. Washburn, Farmers' and Traders' National Life Insurance Company; J. F. Weston, manager Imperial Life Insurance Company, Toronto; Lawrence Priddy, representing the New York Life; Robert Lynn Cox, general counsel and manager Association of Life Insurance Presidents; and Sylvester C. Dunham, president Travelers Insurance Company.

The Press as an Educating Medium.

Mr. Weston believed that the fireside could be reached best through the public press, and spoke of a series of human interest stories which appeared in the Saturday Evening Post, Collier's Weekly, and the Ladies' Home Journal. He was much interested in the publicity campaign in the Chattanooga Association of Life Underwriters, but it did not seem clear to him just what was behind the publicity being secured in Chattanooga. Lawrence Priddy, however, informed those present that this was the work of the Chattanooga association. He also referred to the campaign of institutional advertising under the direction of the Committee on Education and Conservation of the National Association.

JOINT CONFERENCE OF EXECUTIVE COUNCIL OF THE NATIONAL ASSOCIATION, COMMITTEE ON EDUCATION AND CONSERVATION AND COMMITTEE ON CONVENTION ARRANGEMENTS.

Preliminary Institutional Advertising Campaign About to Be Launched—Attractive Itineraries Planned for the San Francisco Convention, with Several Options Both Going and Returning.

A joint conference of the Executive Council of the National Association, the Education and Conservation Committee and the Transportation and Convention Arrangements Committee was held on December 12 at the Hotel Astor, New York City. This meeting was found necessary in order to decide important questions relative to transportation arrangements for the San Francisco convention, and to discuss the status of the institutional advertising campaign, and the various other matters in the hands of the Committee on Education and Conservation.

Chairman Warren M. Horner, of the Committee on Education and Conservation, presented the following report, which was adopted.

The Education and Conservation Committee have to report, at this time, that the development of those measures embraced in the resolution adopted at Memphis in 1912 has reached such stage of advancement as to require the attention of some one to take care of the detail and the development of a permanent bureau.

That the funds pledged for the use of the committee, together with assurances of further financial support, warrant the National Association in establishing a bureau in charge of a secretary, for the purpose of expediting and systematizing the work.

That the secretary be under the direction of the Education and Conservation Committee. That his duties be as follows:

Duties of the Secretary.

(1) That his duties be to superintend advertising, the preparation of copy, and publishing and distribution thereof.

(2) Conduct a comprehensive campaign of publicity direct, and by the dissemination of publicity items to the various associations. In this connection it is recommended that a clearing house of current information be established for the distribution, in a weekly bulletin, of items and material of advantage and interest to local associations, or in the case of unusual items, for immediate distribution to the local associations.

(3) Introduce courses and lectures in institutions of learning, public and private, wherever possible. Securing, in co-operation with Dr. Huebner, the widest possible circulation and use of the text book, one of the important accomplishments of the committee.

(4) To obtain lectures for and introduce lectures in public organizations and clubs.

(5) To procure the writing of human interest stories and articles for the public on life insurance.

(6) To prepare and give lectures or addresses before associations and public bodies.

(7) To collate, within the bureau, abundant material of information and efficiency methods of a nonpartisan or noncompetitive nature, for the use of members of the association, covering the principals and practices of the business, especially with regard to field work, and for use, when advisable, in the weekly bulletin.

(8) That he co-operate with boards of charities and corrections and get the result of investigations as to the part life insurance plays, or can be made to play, in preventing dependency and delinquency.

(9) That he make a special study of conservation measures, embraced in the institution of life insurance,

for the purpose of furthering the education and conservation movement.

(10) That he devise and carry out ways of securing funds for promoting the measures embraced in this bureau.

Your committee respectfully directs attention at this time to the scope of the original resolution and the enumeration of the education and conservation measures in a letter to the companies in February, 1913, and urge the embracing of all education and conservation measures in the education and conservation movement.

You should be advised at this time that the National Association is receiving the hearty co-operation, we should say practically unanimous support, of field men. Wherever campaigns have been started and trade-mark used and institutional character of advertisements maintained by leaving out names of agents and companies results have been even beyond expectations or claims of your committee.

This is true in the notice given the campaigns by business men, and in both educational value and actual results.

You are asked at this time to approve the human interest story, "The Greatest Thing in the World," which appears in the prospectus of the advertising campaign. Also the contract for use of trade-mark, reading as follows:

The Trade-Marks

Minneapolis, Minn.

Date _____

In consideration of his contribution to the promotion fund of the Education and Conservation Committee of the National Association of Life Underwriters, permission is hereby granted to _____, of _____, to use the design shown in the lower left hand corner of this certificate in his literature, stationery and cards, for one year from this date. It is understood that this design is the property of the National Association of Life Underwriters and that the privilege here given ceases one year from date of this instrument, unless previously withdrawn.

_____, Chairman.

Your committee asks that it be directed in the issuance of this trade-mark to the agents representing companies that contribute to the campaign, where such agents are not all members of some local association.

We are opposed to issuing trade-mark to a non-member, but feel that where companies contribute there is an unusual condition existing and should be handled with great consideration.

Your attention is called in this connection to the fact that the right to use the trade-mark can, and should be, a great compelling force in bringing in new members.

Finally, we recommend for the present that Everett M. Ensign, corresponding secretary, be appointed acting secretary of the bureau.

That he secure, with the co-operation of the committee, a competent clerk or assistant, and such additional office space as becomes necessary.

In behalf of the committee, Warren M. Horner, chairman, Edward A. Woods and Lee C. Robens concurring.

New Association.

Application was received from the Snohomish County Life Underwriters' Association, of Everett, Wash., for affiliation with the national body, and the election of this association will be recommended at the Mid-Year Meeting of the Executive Committee, which will probably be held in New York City on February 22. It was deemed advisable to arrange to hold the Mid-Year Meeting of the Executive Committee somewhat earlier than in former years, owing to the fact that the convention will be held a month earlier than usual, and due, also, to the long distance to be traveled.

(Concluded on page 14.)

Life Association News

A MONTHLY JOURNAL DEVOTED TO THE INTERESTS OF ALL
LIFE INSURANCE AGENTS.

PUBLISHED BY THE
NATIONAL ASSOCIATION OF LIFE UNDERWRITERS

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- EDWARD A. WOODS, Vice-President,
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ARTICLE II OF THE CONSTITUTION.

"The object of this association shall be to advance the best interests of the cause of true life insurance."

Address all communications to

EVERETT M. ENSIGN, Editor and Manager.
Telephone, 4244 John.

LIFE ASSOCIATION NEWS, 56 Pine Street, New York City.

This newspaper is owned by the National Association of Life Underwriters, unincorporated, a voluntary association; Hugh M. Willet, president, Fourth Nat. Bank Bldg., Atlanta, Ga.; J. Henry Johnson, secretary, Lee Bldg., Oklahoma City, Okla.; H. Wibirt Spence, treasurer, 306 Penobscot Bldg., Detroit, Mich.

SUBSCRIPTION PRICE \$1.00 A YEAR IN ADVANCE.

The Dorrance Case.

It is in no spirit of exultation that we chronicle the facts elsewhere in this number, in connection with the Dorrance case of rebating. With all sincerity we most emphatically declare that we wish the occurrence had never taken place.

It is much to be regretted that a company which has always insisted on a high standard of field ethics among its representatives, and a company which has to a marked degree, given substantial support to the principles of the National Association, now finds its agency force impaired by reason of misplaced confidence.

However, there are no infallible rules by which a company may be guided in the selection of their agents. Superintendents of Agencies of the various companies tell us that more frequently than is supposed all standard theories of appraisal of human efficiency and honor fail. By all rules of the game Mr. Blake and Mr. Davies passed all tests with flying colors. The company congratulated itself (and its attitude was entirely warranted) that it had made a selection which would be of more than ordinary mutual advantage.

Therefore, while the company is in a position far above unkind criticism, little sympathy can be expressed for Mr. Blake and Mr. Davies. If there are any extenuating features in the case, the one deserving of most consideration is the fact that it is said that Mr. Dorrance has, for some time past, been seeking to secure a large policy at cut-rates. It is claimed that he presented his proposition to several old and experienced agents in Philadelphia, who refused to consider negotiations when his object was disclosed. Messrs. Blake and Davies are young men, anxious to build up an agency, and they yielded to the temptation. Lured by the siren song of rebate they were eventually drawn into the toils of the Insurance Law of Pennsylvania. They now stand stripped of authority, discredited and dishonored. Yet, with all this there might have been a faint glimmer of leniency in the horizon of the Insurance Department, had the climax not been reached by the most detestable of subterfuges.

All of this is disconcerting to the members of the Philadelphia Association. Nowadays such a flagrant case of rebating is seldom heard of, and in even small cases of rebating it is often quite impossible to secure evidence that will convict the guilty parties. The Philadelphia Association and the Pennsylvania Insurance Department are responsible for remarkably effective team work. The methods of a surgeon with cancer were necessary, and a threefold benefit results: the impossibility of the guilty parties to repeat their offense, a renewed vigilance on the part of the members of the Philadelphia Association; and the salutary

I want an experienced salesman of corporation life insurance to cover an almost virgin field, working under my special plan of presentation of this subject. None but experienced salesmen in this special line of life insurance salesmanship need apply—and references will be required with application.

The right man can, by hard work and intelligent work, make ten thousand a year under my guidance.

"COME TO THE PACIFIC WITH WARD."

Write H. H. WARD, Manager PACIFIC NORTHWEST

PACIFIC MUTUAL LIFE INSURANCE COMPANY

303 Title & Trust Building, Portland, Oregon

405 Hoge Building, Seattle, Washington

moral influence upon the Life Insurance fraternity and the business world, both locally and nationally.

"Getting Even" Through the Mails.

A campaign of publicity is always interesting, even if it isn't always innocent, and life insurance agents probably appreciate the value of advertising as well as any class of men.

However, during the past few weeks a campaign has been prosecuted among the leading underwriters of the country, including the officers of the National Association, officers of local associations, National Executive Committeemen, officers of life insurance companies, and underwriters generally, emanating from a Brooklyn source, which seems to deserve passing mention.

After an investigation on our part it appears that a certain resident of Brooklyn engaged in the banking business, gave an application for a policy to an agent who was a fellow passenger on a Transatlantic steamer while returning from abroad in the Fall of 1907.

The examination followed in due course, the policy was issued, and a note was given for the premium. There was it seems some understanding regarding the placing of certain mortgages which the agent had agreed to handle, either himself, or to dispose of, providing always they were satisfactory purchases. It appears that some such transactions were consummated, but that other mortgage offerings by the banking man were refused by the agent.

Eventually, when the note became due it was protested for non-payment. The agent sued and recovered his full judgment with costs. The maker of the note then appealed and was beaten again; and the case is now before the highest court for decision. The defense of the maker of the note being that the agent had failed to carry out his agreement to take all the mortgages offered by the banker.

Meantime, life underwriters generally throughout the country have been receiving communications addressed to them by the insured, who had given his note in payment of the premium, which would seem

to cast reflections upon an "unworthy agent." It is neither in the province of the National Association, nor of this publication, nor of the underwriters of the country to pass judgment in a case at law between a policyholder and an agent. However, in view of the fact that two courts have already given verdicts in favor of the agent, it would seem that the odds were with him.

However, what the NEWS takes occasion to point out at this time is the fact that neither the National Association nor the NEWS can be dragged into any such question. It is a question of doubtful ethics whether the gentleman making the note is pursuing the proper course in endeavoring to assail the reputation of an agent, through the doubtful process of "getting even" by conducting a campaign of vituperation through the mails. Certainly no responsible man, agent or otherwise, would consent to be "brought to terms" by any such methods.

KEEP THESE DATES IN MIND

**AUGUST 10, 11 and 12,
1915**

The Twenty-sixth Annual Convention of

The National Association

SAN FRANCISCO



An Important Message on Income Insurance.

From the last reliable statistics we have been able to obtain we find that 90 per cent. of women who reach the age of 65 are either wholly or partly dependent upon the charity or generosity of others, and that only 5 per cent. of the people of this country who reach old age are in a position of financial independence.

To one who is analytical even to a slight degree the reason for this is obvious. Moreover, the untold years of privation and destitution which are necessarily connected with advanced years without a competence, could have been avoided. Life insurance, and more particularly that form of life insurance which provides a positive and certain monthly income during the life of the beneficiary, is the answer.

Doubtless in many cases there was a life insurance policy, but in the majority of instances the statistics referred to prove that it was not on a continuous instalment basis.

Former National President Charles W. Scovel, in a recent lecture at Thaw Hall, University of Pittsburgh, calls attention to this matter by making a strong plea for the students and others who attended the lecture to carry the message to existing policyholders. This idea, to the agent, may give him a new viewpoint as to his own duty to tell the story to the old policyholders. This course, by the way, is his very best way to approach a prospect for enough more insurance to make the income on old and new insurance yield sufficient income to provide for the support of the family after the death of the insured.

Mr. Scovel said:

Take this message to every family man now carrying life insurance: Is your insurance intended for your family's support? Do you want to make it sure to do what you intend? If so, whether you carry \$1,000 or \$100,000, you should not let a day pass without taking steps to have the money made payable to your family, not in one lump sum, but in a fixed, unlosable income. That means a check or checks coming regularly every month throughout the whole period of their need for the support you intend. Otherwise, it's ten to one that the insurance money (like any other cash you may leave) will be all gone in a comparatively short time; far shorter than you intend it to last them. And that short time of easy money will make it all the harder for them to get along on nothing, afterward.

I am asking each of you to take this message to those you come in contact with, because there are millions of existing policyholders who ought to be told about this as soon as possible. They don't know that their present policies in most companies either contain some of these modern income provisions, or can have them added at any time without cost. Most of them know but little of what you students in this course have been learning as to the supreme strength and stability of the life insurance system, making it the fittest custodian of funds that are to yield support through the utmost length of a life, or often through two generations. We agents are doing what we can to tell old policyholders of these lately

perfected services; but we'd starve if we took too much of our time away from writing new insurance. Most of these income provisions, as I said, are added to existing policies without commissions or other cost, and in 90 per cent. of the cases the family will receive the entire net earnings of the money left with the company. So I have no hesitation in asking you to spread this good news among the countless families to whom it means so much if acted upon.

These modern income services fit all classes of people, those who can only carry the smallest amounts of life insurance, as well as those who can carry medium-sized or largest amounts.

First, as to the smaller amounts—which means by far the largest number of families, and the neediest. Even "industrial" policies as 5 or 10 cents a week—as announced a few days ago by one leading company, doubtless to be followed by others—can now be had, payable in weekly instalments over three or six months. This will reduce the undertaker's harvest from the too-costly funerals, and give the family some little time to readjust itself.

For the family that can carry one or two thousand of insurance—and there are millions of them doing so—the monthly income will bridge the years stretching from the father's death to the oldest child's first wages. These years are the yawning chasm for the family; they will either make or break the children's whole future, and the mother's heart. These are the years to which the mother's pension system in so many States is directed, and that great movement has proved in thousands of cases how small a monthly sum will eke out the mother's efforts to bring up her children at home. New Jersey, for instance, provides \$9 a month for a mother and one child; our Allegheny County Board reported its average allowance to be \$18 a month for an average family of four. That chasm between father's death and child's wages varies from 15 years down; the more children, the sooner the oldest can help. In nearly all cases \$1,000 to \$1,500 of insurance will yield a monthly income through these critical years of just such amount as the mother's pension boards have shown to be enough to keep the family unbroken.

The great middle class of families are carrying anywhere from \$3,000 up to \$10,000 or \$20,000 of insurance. These sums permit a more extended income service, covering the entire life of the mother, however long; and, in case of her earlier death, continuing for the children to the end of 20 years after the father's death, long enough to bring up and educate the youngest. On this basis, \$1,840 of insurance yields \$10 a month; \$4,600 yields \$25, \$9,200 yields \$50, etc., with dividends adding 10 or 12 per cent. during the first 20 years. Here every premium dollar yields the largest income it could produce anywhere, to be really sure to outlast the widow's life and the children's dependent years. And if the father lives on, most or all of his premium dollars will be withdrawable to support his own old age.

The most extended income service—particularly attractive to men of larger means, or for those who wish to provide for the whole life of a daughter or son—is a simple matter of investment. It yields a guaranteed minimum of 3 per cent., increased by dividends to about 4½ per cent. at present interest rates and likely to be higher in the years ahead. The principal is kept intact, always at par, and is all withdrawable whenever the income is to end; or it may be partly drawn on any time for emergencies, if so directed by the insured. The monthly income may be made payable throughout two generations—widow and children, or child and grandchildren—with the principal held for a succeeding generation now unborn.

These three fundamental plans can be combined and varied so as to fit the special needs of any family, and with freedom of later readjustment to cover changed conditions, after-born children or grandchildren, etc.

The modern income service begins where the old policies left off. It begins when the family's need begins and it outlasts that need. Life insurance, with its scientific calculations verified for 150 years, with its broad averages based for each company on widespread lives by the ten thousand and on widespread assets by the ten million, is the one institution of proved fitness to render the mighty service to humanity of thus lengthening the arm that each generation stretches out to help the one that follows.

Religious Objections to Life Insurance.

Several weeks ago Dr. George H. Combs, pastor of the Independent Boulevard Christian Church, Kansas City, Mo., preached a sermon to the members of the Life Underwriters' Association located in that city. Dr. Combs found his text in Rev. 3:2, "Strengthen the Things That Remain."

"We must preach against that which hurts," said he, "and as the saloon hurts humanity we must preach against the saloon. It is also our duty to speak for the things which help, and life insurance helps humanity."

In a synopsis of the sermon which is before us we note with much pleasure and no little interest that Dr. Combs' discourse was based on constructive thought. It was not a preaching of DON'TS, a series of thunderous THOU SHALT NOTS. Much to the contrary, the speaker endeavored to stimulate an interest in the positive and the creative forces of life insurance for the betterment of humanity.

Negative doctrines from the pulpit are no longer popular. Churches now demand ministers with a PUNCH, figuratively speaking—and sometimes, too, the gentleman of the cloth can exercise that quality literally when circumstances justify the action. We are beginning to realize that the best preparation for the HEREAFTER is preparation for the NOW. Serious consideration is being given to the truth contained in 1 Timothy V. 5, "If any provide for not his own, and specially for those of his own house, he is worse than an infidel."

There are, of course, isolated cases where the spiritual viewpoint is such that the individual fails to take proper cognizance of his earthly relations or obligations. And the wash-tub and charitable institutions complete many of these sad stories.

D. C. Herrin, representing the Union Central at Portland, Ore., is responsible for bringing to light two remarkably interesting letters which are apropos. One of the letters, Mr. Herrin was informed, was written by a resident of Arencos, Ore., in response to several communications from a life-insurance agent, and the other is the agent's reply.

Letter No. 1 follows:

My Dear Sir: For several months your letters addressed to me at Orenco, Ore., have been forwarded to me here. I thought that by disregarding them you would finally give it up, but you certainly have a remarkable perseverance, so in order that you may not waste any more valuable literature and postage on me, I write you this letter.

I infer from your letterhead that you want me to take out life insurance in your company, but I have all the

life insurance I want or need already. How much? I don't believe it could be estimated in dollars and cents. The benefits received already, together with those promised for the future, amount to a sum incalculable.

What company is it? The best in existence. No, it isn't yours; at least not the one named on your letterhead. The president is the Lord of the universe; the agent is Jesus Christ, who is such a kind and loving agent that he paid the premium for everyone who wishes to take out a policy in his company by allowing himself to be killed on the cross.

What is the face of my policy? Salvation from sin and the greatest possible blessing and happiness here on earth, and the promise of a never-ending life afterwards, which, I venture to say, is more than your company will promise. And I am receiving benefits from the first part of this already.

How much premium do I pay? I gave the agent my heart cash down, with a daily remittance of love, praise and service. Isn't that about the most attractive proposition you ever heard? Better try it for a year, and you'll be a life member.

This is the agent's reply:

Dear Sir: I have carefully noted the contents of your letter to me and desire to express my appreciation of the admirable manner in which you have handled the subject. You certainly have got out of it all the argument that could be produced from that point of view, and are to be congratulated upon your effort; and yet, as I read your letter, in fancy I see the day when your spirit takes its flight from its earthly habitat and the good wife resumes her place beside the vacant chair, takes up the business cares where your work ended, finds among your papers a copy of your letter to me. As she ponders o'er it, and realizes its value as an asset for providing the necessities of life, will she not, deep down in her heart, wish it were a policy in the Good Old Line Life?

It is certainly a duty one owes to his Creator to give the best there is in him towards his Maker's glorification; but it is also a duty he owes to the wife and children, who have given him the best years of their lives, to see that their temporal wants are supplied when he adjusts his wings, tunes his harp to the peace and comfort about him and takes his place in the celestial choir.

To see that when he moves into that house eternal, that they do not move into a tenement house in a back street.

That when he wraps his comfortable robe about him, that they are not out at the elbows and knees.

That while he partakes from the table of his Master, that they are not suffering the pangs of hunger.

That while he sips at the Fount of Life, that their water has not been turned off because the rent was due.

That as he proudly parades the broad and beautiful avenues among God's elect, that they are not slinking up a back alley for fear of meeting their old acquaintances.

Could there be joy in his heart when he looks down upon his wife at a washtub and his children in a sweat shop, while he reclines in comfort in the home of his Heavenly Father?

Will the thought of his comfortable robe in Heaven protect his loved ones from hunger and the wintry winds of earth?

After the funeral comes the doctor, the undertaker, the butcher, the baker and the landlord.

Will the children come home from school and go to work?

Will the mother close up the piano, tear up the rugs, sell off the furniture and with a child in each hand, trudge out into the desert of life's never-ending struggle?

Father is dead. The provider is gone.

My friend, before the sun goes down, apply to some great life insurance company, God's instrument for protecting the helpless, and by their great seal decree that your wife and children shall not be subjected to the humiliation of an unequal financial struggle in the dark days following your final leave taking.

Agency Supervisor Wanted

A large, well-established and well-organized General Agency of an old New England Company, which now produces \$2,000,000 of business per annum and has a splendid agency organization, has an opening for a young man to act in the above capacity in New York, Vermont and New Hampshire, to secure additional agents, work with them and train them as producers. For the right man, who is ambitious and desires a good future, an unusual opportunity is presented. Only men of first-class antecedents, habits and record need apply. Address AGENCY SUPERVISOR, care of Life Association News.

(Continued from page 9.)

Tentative arrangements were made for two special routes and for two special trains. The first party will assemble at Chicago and travel over the Soo Line and Canadian Pacific to Vancouver, thence South by way of Seattle and the Shasta route to San Francisco. Return trip would be by way of Los Angeles, taking in the San Diego Exposition, Grand Canyon of Arizona, and Colorado Springs. The itinerary of the second party would be the itinerary of the first party, reversed. The third option permits of the Canadian Pacific route, or the Santa Fe route, either going or returning, in conjunction with the most direct route, via the Union Pacific and connecting lines.

The itinerary, as suggested, is most attractive and permits of frequent stop-overs. It is quite probable that arrangements will be made on an all expense basis, and both parties will be accompanied by an experienced traveling agent of a tourist agency.

From present indications there is every reason to believe that the attendance at the San Francisco convention will be very satisfactory, and it has been suggested that members of local associations, who expect to attend the convention, write to the corresponding secretary conveying this information together with a statement of whether or not such members will be accompanied by relatives or friends. In this way it will be possible for the officers of the National Association to determine in advance just how to plan the itineraries to the greatest advantage of all.

FLAGRANT CASE OF REBATING NAILED IN PHILADELPHIA

Insurance to the Extent of \$700,000 Involved—Pennsylvania Insurance Department Revokes License of James M. Blake and John F. Davies and Both Are Expelled from the Philadelphia Association.

Charged with rebating, James M. Blake and John Franklin Davies, of 704 Commonwealth building, Philadelphia, general agents for the Massachusetts Mutual in that city, have had their license revoked by the Pennsylvania State Insurance Department. A special meeting of the Philadelphia association was held on November 23, and after the matter was discussed in all its pros and cons, the following resolution was adopted:

RESOLVED, That John M. Blake and John Franklin Davies be expelled from the Philadelphia Association of Life Underwriters, because they have made conflicting statements under oath concerning questions of material fact regarding a life insurance transaction, and have paid commission to an unauthorized person as shown by the copy of the testimony furnished by the Pennsylvania Insurance Department.

The action taken by the insurance department and the Philadelphia association is not in the nature of a surprise. For several months past it has been rumored that Blake and Davies were involved in a case of rebating. Cases of this nature are very hard to prove, and it was only after the most strenuous efforts on the part of the members of the Philadelphia association that the facts of the matter were brought to light.

The testimony at the hearing by the insurance department is summed up briefly as follows: Insurance to the extent of \$700,000 was placed by the Campbell Soup Company, of Camden, on the life of John Thompson Dorrance, its vice-president. Of the total commissions accruing to Blake and Davies, to the amount of \$10,909.11, the sum of \$8,522.11 was paid to F. S. Groves, Jr., an employe of the Campbell Soup Company, and, it is claimed, a relative of Mr. Dorrance. It was shown that not only was this first year's commission paid, but that it was arranged to pay Groves the full 5 per cent. commission on renewals for nine years. Following is a letter from Insurance Commissioner Johnson, together with a copy of the report of Examiner-in-Chief William J. Rooney:

November 17, 1914.

Messrs. Blake & Davies,
704 Commonwealth Trust Building,
Philadelphia, Pa.

Gentlemen:—The act of July 12, 1913, prohibits any insurance company by itself, or any other party and any insurance agent, solicitor or broker, personally or by any other party, from offering, promising, allowing, giving or paying, directly or indirectly, any rebate of, or part of, the premium payable on the policy, or any other policy, or agent's commission, as inducement to or for insurance, on any risk in the Commonwealth, and upon satisfactory evidence of the violation of the provisions of the act by any company, agent or broker, the insurance commissioner is required to revoke the license of such offending company, agent or broker.

Satisfactory evidence having been secured that you have wilfully violated the provisions of the act above cited, and that you have offered, promised and given a part of the commissions payable upon policies of life insurance to one John Thompson Dorrance, you are hereby notified that the certificates of authority heretofore issued to you as agent of the Massachusetts Mutual Life Insurance Company, State Mutual Life Insurance Company, National Life Insurance Company, Northwestern Mutual Life Insurance Company, Union Central Life Insurance Company, Connecticut Mutual Life Insurance Company and Phoenix Mutual Life Insurance Company are hereby revoked and you cannot legally transact any further business.

ness for these companies, nor for any other company in Pennsylvania.

I inclosed herewith copy of the examiner's report upon which this finding is based.

Very truly yours,

(Signed) CHARLES JOHNSON,
Insurance Commissioner.
Philadelphia, Nov. 9, 1914.

Hon. Charles Johnson,
Insurance Commissioner,
Harrisburg, Pa.

Dear Sir:—In accordance with your instructions, I have made an examination of the records of the Blake & Davies Agency, 704 Commonwealth Trust Building, Philadelphia, for the purpose of ascertaining whether any rebate had been granted in the insurance placed upon the life of John Thompson Dorrance by this agency, and beg to report as follows:

The book of the Massachusetts Mutual Life Insurance Company, so far as the same relate to the policies issued by this company at said agency office, show that the premiums on policies issued by said company were paid by check and that the commissions on said business were paid and disbursed to the account of Blake & Davies.

I have examined Messrs. Blake & Davies under oath in regard to this transaction and attach herewith stenographic report of the testimony thus taken.

You will notice that at the first meeting Mr. Blake denied absolutely under oath that he or his partner had ever paid any part of their commission to any person in the world. You will also please note that at the second meeting Mr. Blake and his partner both admitted that they had paid the major portion of their commission to a Mr. F. S. Groves, Jr., whose office address is 32 North Front street, Camden, N. J.

It is interesting to note that Mr. Groves' office is in the same building in which the Joseph Campbell Company is located, and of which company Mr. John Thompson Dorrance is vice-president; and this F. S. Groves, Jr., is assistant secretary of the same company and has been such for two years.

This Mr. Groves has been licensed in this Commonwealth as agent for the Massachusetts Mutual Life Insurance Company; said license having been issued May 11, 1914, and this is the only company for which Mr. Groves is authorized to act as agent in this Commonwealth.

As formerly stated, you will notice that at the second meeting of Messrs. Blake & Davies both admitted that a total of \$8,522.11 had been paid by them to Mr. Groves and an examination of their personal accounts verifies this statement, as their books show that on June 1, 1914, Mr. Davies paid Mr. Groves \$3,065.73, and on September 9, 1914, he paid Mr. Groves \$3,301. Mr. Blake's books show that on June 1, 1914, he paid Mr. Groves \$2,155.38; making a total paid by both men \$8,522.11, as testified to by them.

A perusal of the records of these two meetings will show you conclusively that theirs was ample cause for making this investigation and I believe that you will agree with me that it has been proven beyond doubt that these gentlemen did not only share their commissions with a man who was an unauthorized agent for most of the companies concerned, but they gave him the major portion of their commissions and agreed to pay their full renewal commission, viz., 5 per cent. on \$300,000 worth of insurance for nine years, the full term of renewal allowed by the companies.

When we consider that Mr. Dorrance and Mr. Groves are both officers of the same company, have their offices in the same building and are related by marriage, and that the major portions of the commissions on the premiums paid on the insurance issued on the life of

Mr. Dorrance have been shared with Mr. Groves, and that the license in Pennsylvania for the Massachusetts Mutual Life Insurance Company was taken out by Mr. Groves at the time approximating the issuance of the insurance issued to Mr. Dorrance, the necessary deduction is obvious.

In view of the fact of the many rebating charges which have been investigated by this department and in which it was impossible to find any evidence, may I suggest that in view of the conclusive proofs furnished you in this report that some prompt and decisive drastic action be taken.

All of the above is respectfully submitted.

(Signed) WILLIAM J. ROONEY,
Examiner-in-Chief.

SIMPLICITY IN FIELD METHODS.

The Futility of Pompously Endeavoring to Create an Impression, and Some Suggestions as to Things to Be Avoided.

By Walter E. Webb, Pacific Mutual Life Insurance Company, Los Angeles, Cal.

Too many of us are over anxious to impress our prospects with our selling ability, knowledge of the business, etc. We should bear in mind that to insure men we must induce them to talk, to tell of their progress, families, investments, etc., and thereby enable us to suggest some form and amount of insurance which will fill a need. To accomplish this is extremely difficult if we enter his office with an air of distinct importance, as he immediately becomes wary and refuses to talk, thinking the most trifling remark may prove an opening to business. Better let our intelligent answers to inquiries establish our responsibility and wisdom in our profession than to invite silence by our superior air.

The greatest men always seem the simplest in everything they do or say. It would be positively astonishing to some people to know how comparatively easy it is to reach big men and how hard to interview their employees. I recently called on the head of a corporation whose assets total several millions. His office door was open and his assistant, without asking my name, said, "Step into his office, there is nobody with him." Another day I called on a department manager of a smaller institution and was taxed to the limit in devising a way to reach him and he was not so busy at the time as the big executive first mentioned.

Big Men.

Of course, there are exceptions when one must wait, or fill out cards before securing an audience with the man of large affairs, but I am strongly impressed with the almost total absence of ostentation in the case of big men and the effort of the rank and file to create an office atmosphere almost unreasonable considering the circumstances.

And so it is in our work. It was my good fortune at one time to be present at an interview between one of the largest writers in the country and a man at that time president of a large bank and very wealthy. The agent had no letter or card of introduction and removing his hat, slipped quietly into a chair remarking that he was a representative of the Blank Life Insurance Co. His simple, frank manner took the prospect off guard, and instead of saying "nothing doing" leaving no come-back, he said he was not in the market because—and told the agent why. He stated all the reasons and objections to additional insurance and gave up voluntarily invaluable information to his listener. The agent had carefully looked up his man's financial interest, family history, etc., and only needed to know his objections to further insurance to guide his presentation of the policy. I happened to be an office clerk at that time and a few weeks later saw the application for \$50,000.

Long Interviews.

Experienced agents do not have long interviews because they

are unnecessary. The man who knows his business thoroughly learns his prospect's needs by asking very few, but pointed questions, immediately suggesting the best form of contract and stating the reason why it fills the bill.

We will do well to give considerable thought to the idea of simplifying our solicitation. Talk less, but say and mean more. We have all heard the orator, with his gestures, loud voice, faultless rhetoric and really expressing good thought and yet not impressing us as we think he should. Many times he is just talking for hire or to gain a reputation as an after-dinner speaker; in any event, he is not giving expression to his convictions.

Men are told daily that they need insurance to protect their families against the future's uncertainties—and yet remain uninsured. It is not enough to merely enter a man's office and utter the words. *System* and *World's Work* are filled with advertisements of office appliances, business systems, etc., which, we are informed, we "need" and yet one would become bankrupt if he were to attempt to buy all of the equipment he is told he "needs," and so he includes the "need" of insurance with countless others equally important. Unless by our efforts he is made to stop and think and realize that little Jack or John or Mary may not be able to finish school, and that Smith the grocer on the corner, and Jones the clothier will stop coming when the family pay check is discontinued.

The strongest argument we have is the simple statement that a man needs insurance to protect his family, but it must carry conviction and strike "home." The prospect must be made to feel that it is an individual matter and not that you have told the same story to half a dozen men that same day.

To be successful solicitation it must not be a solicitation at all, but an earnest, personal discussion.

If you have a family yourself stop for a moment and picture your little girl climbing into a street car at 7 a. m. going to the factory or shop to earn \$4 to \$6 per week, and your little boy selling papers on a corner, or driving a wagon or feeding a printing press at \$7 per week and wondering why he hasn't a "Dad" like other boys to send him through school and let him have at least the intellectual weapons to fight his life's battle.

I don't wish for one minute to advance the argument that one should take up life insurance from an evangelistic or altruistic standpoint, but we are particularly fortunate in being in a business where we can keep homes happy, children in school and bread in the larder, and at the same time earn exceptionally large rewards for our efforts.

Things to Avoid.

We should avoid all superfluous talk, avoid cash, paid-up and extended insurance values, etc., unless some one of those features play a part in the specific case.

Don't secure an interview by subterfuge, as misrepresentation will prejudice your case from its inception. Use the simple, direct method. The public is again in a receptive mood for the straight, hit from the shoulder salesman who tells what he wants, and why, without any frills, "new policies," "special contracts," etc., as a bait, now recognized and condemned by the substantial business man.

After all, life insurance is simply a means of providing a continuance of the family's financial support after the bread winner is taken away, and a proposition demonstrating how it may be done at a moderate expense, is the best method of procedure, in the last analysis.

Bound Copies of the Proceedings of the CINCINNATI CONVENTION

Are Now Ready For Distribution

\$1.50 THE COPY

Only a Limited Number Remain Unsold

A Man's Achievement Can Never Rise Higher Than His Confidence.

Every big writer I ever knew was self-confident—most of them conspicuously so. Every time you acknowledge a weakness, every time you admit your lack of ability or opportunity, every time you harbor doubt, I believe you weaken your self-confidence and the very foundation and possibility of success.

You might as well expect to cross the Alps by sitting down and declaring that the undertaking was too great, that you feared you could never accomplish it, that you were afraid of the avalanches or of getting lost, as to hope to attain any large measure of success while holding to doubts and fears as to what you can do.

To allow yourself to admit that you are inferior to any emergency is to invite defeat and help bring it about.

The moment a man harbors a doubt of his ability that moment he begins to capitulate.

The positive, aggressive man may have some unpleasant qualities, but he is the man who gets ahead to-day as he did yesterday, always has and always will.—*N. Y. Life Bulletin*.

Has No Speculative Features.

Of all investments or business ventures, life insurance is the freest from chance or speculative feature. Pay your premiums and your policy will be paid according to contract. It is the surest and safest proposition in the world.

How about other investments or undertakings? Even agriculture is more speculative in character. The farmer sows his seed, but is not sure of harvesting a crop. Neither is he certain as to the price that may be obtained for any crop that may be harvested. There is no chance or failure in life insurance, nor is there any question as to the amount to be paid at maturity. Even in the case of money loaned on mortgage, it may be lost, in whole or in part, by failure of title or by depreciation in the value of the security. Other business ventures, even those that are in every way legitimate frequently result disastrously. Probably nine out of ten men in any line of business ultimately fail.

Engage in some commercial pursuit, profession or other work, as you probably must, but first cast an anchor to windward by securing an adequate amount of life insurance, the one thing that is certain.—*Mutual Life Insurance Co.*

Ambition.

You may be working hard, but are you doing the best of which you are capable?

You are moved by a desire to increase your production, but have you any higher motive? Do you entertain any definite ambition for the future?

Do you wish to become a general agent of the company? If so, make it a definite aim and strive for its attainment. There is none but may succeed if he will.

Or perhaps you have decided to remain in the ranks of field men, and that is a very sensible decision, because you can find no more profitable and independent position. But if you are going to remain a salesman, form some definite idea as to the kind and degree of successful salesman you purpose to be.

Are you going to be a \$5,000 a year or a \$10,000 a year salesman? What sort of house are you going to live in? What kind of machine will you drive? What will you do for your family? What social position will you occupy?

Form definite ideas about these matters. Crystallize them into a definite plan and seriously aim to carry it out. Keep your goal constantly in mind. Move toward it step by step.

Are you earning a surplus? No? Then strive to increase your business to a point where it will yield more than you need for living expenses. Save the excess and aim at a further increase until it enables you to buy a home. Go forward again from that point, always remembering your ultimate object.

Maintain a cheerful discontent. Strive for greater and better results. Don't admit of any limit to your attainment or capacity.—*Forbes Lindsay*.

What the Local Associations Are Doing

LIFE ASSOCIATION NEWS has no paid correspondents. We depend entirely upon the secretaries of local associations to send us stories of all meetings of their respective associations. If an account of the last meeting of *your* association does not appear in this department, ask the secretary of your organization why he did not send us the particulars.

Immediately after each meeting, on the same day if possible, secretaries of local bodies should send us a full account of the business transacted, including copies of all speeches, or extracts from the most important of them.

Chattanooga.

Good fellowship, enthusiasm and a manifestation of the Chattanooga booster spirit characterized the banquet of the Chattanooga association at the Hotel Patten in the evening of November 10, at which Hugh M. Willett, president of the National association, was the guest of honor. A feature of the evening's program was the eloquent address of Mr. Willett, in which he paid high tribute to Chattanooga and to the life underwriters' organization. He was given an ovation. Dr. T. S. McCallie acted as toastmaster, and his humorous introduction of the various speakers proved a refreshing feature. The menu served was an elaborate one. Each of the speakers urged Mr. Willett to use his influence in bringing the national convention of life underwriters to the Lookout City in 1916.

Mr. Willett quoted statistics with reference to the financial end of the Life Insurance and stated that if all the \$20,000,000 of insurance in force came in one sum it would equal the wages of the American wage-earners for a whole year. He said that the development of the insurance field has been rapid. He assured the local underwriters that he would certainly not forget the urgent request that the national convention of life underwriters be brought here two years hence, and expressed himself as being of the opinion that Chattanooga could get anything that she wanted. He praised the publicity plan of the local organization, stating that the national association contemplates more publicity in the future than has been done in the past.

Mayor T. C. Thompson welcomed Mr. Willett in behalf of the city, and in a brief manner told of the organization of the local association of life underwriters.

Commodore Albert L. Key, vice-president of the Volunteer State Life Insurance Company, paid tribute to the National Association of Underwriters and stated that he took great pleasure in welcoming Mr. Willett to Chattanooga.

Paul J. Kruesi, president of the Chamber of Commerce, stated that Chattanooga would be well able to care for the convention in question in 1916 and said that the insurance men would not soon forget her hospitality. He commended her local life underwriters, characterizing its membership as a high type of manhood.

"I'm in for 'life,'" stated C. H. Houston, who spoke for the manufacturers. He said that the manufacturers were interested in insurance.

Julius J. Cohn, editor of the underwriters' page in THE NEWS, said: "The Chattanooga Association of Life Underwriters, by its inauguration of a campaign of education, has blazed the way for the dawn of a new era in the humanitarian business of life insurance and has been responsible for a new awakening, a work which shall go down in the annals of the world's greatest philanthropy as one of the greatest factors or its uplift."

E. E. Brown pleaded that the local association stick together and pull for success; that it exert its influence at Nashville during the session of the Legislature in the interest of insurance measures.

W. C. Johnson said that the newspapers throughout the country were keen for the Chattanooga plan of insurance advertising. He assured Mr. Willett that this city could take care of the life underwriters' convention in 1916.

At the December meeting of the association, held at the

Hotel Patten December 4, Attorney Sam J. McAllister was the speaker and guest of honor.

Mr. McAllester, in the course of his remarks, paid glowing tribute to the insurance men of Chattanooga, saying that their ethics were the highest and their calling one of the noblest of professions. He further said that many people carry fire insurance on their property, but give no thought to insurance on the most valuable possession of man—human life. He contended that a fire may never occur, but that death is certain, and that the uncertainty as to when it will occur makes life insurance an absolute necessity and that it was every man's duty to society to carry enough insurance to keep his family from privations and to leave a solvent estate.

Cincinnati.

The monthly meeting of the Cincinnati association was held in Business Men's Club building, Cincinnati, Ohio, on Tuesday, December 8. Covers were laid for 36. The following new members were admitted: Adolph H. Jans, Pittsburgh Life & Trust; Merle W. Spencer, State Mutual; John H. Binder, State Mutual; Samuel Levy, Metropolitan.

The speaker, Dean Rogers president of the business men's club, spoke on "The Promotion of High Standards in Business Methods."

The following were nominated for officers for 1915. (The election is to be held on the second Tuesday in January.) President, S. P. Ellis, of Provident Life & Trust; vice-president, E. R. Ferguson, Mutual Life; secretary, J. E. Taylor, John Hancock Mutual; treasurer, Isaac Bloom, Penn Mutual.

The association has taken steps to raise \$2,500 for "The Education and Conservation Movement."

Cleveland.

At the regular November meeting of the Cleveland association, Allen Burns, Secretary of the Cleveland Foundation, outlined the survey that is to be made of local conditions by the organization he represents, and paid particular attention to the relation of insurance to the work of reducing want and privation. President Hatfield suggested that the association put the Foundation out of business by seeing that everyone in Cleveland was properly insured. William G. Rose, President of the Cleveland Ad Club, spoke on "Enthusiasm," and his remarks created much of the quality which he discussed.

Herman Moss reported for the Publicity Committee and stated that nearly all companies had pledged contributions, and that plans were nearly completed to commence an advertising campaign. The association resolved to send a message of sympathy to J. J. Jackson, because of his recent accident, in which he was severely injured. The plan of meeting at 5.30 in the afternoon and adjourning at 8 o'clock was tried out for the first time, and proved very acceptable. Hereafter this schedule will be adhered to for regular meetings.

Warren M. Horner was the guest and speaker at a special meeting of the Cleveland on the 7th inst. The attendance was the largest in the history of the Cleveland association, and is evidence of the growing interest and enthusiasm in the association movement.

Mr. Horner's address was divided into two parts, the principal address being on the education and conservation movement, and in closing he lead a brief discussion on business insurance.

Columbus.

At the December meeting of the Columbus association which was held at the Athletic Club, the principal speaker was Royal S. Goldsberry, general agent of the Northwestern Mutual at Pittsburgh. Mr. Goldsberry addressed his audience on the subject of "Salesmanship and Service." The advertising campaign which has been conducted by the Columbus association was discussed and the consensus of opinion was in favor of its continuance. The committee on education and conservation was instructed to formulate a plan for financing this campaign in 1915, and to report at a special meeting to be called in the near future. A committee was also appointed to draft a resolution of regret on the removal from Columbus of C. C. Hills, who has recently been appointed general agent of the Connecticut Mutual Life at Rochester, N. Y.

Connecticut.

John I. D. Bristol, general agent of the Northwestern Life, New York, was the principal speaker at the meeting of the Connecticut association held on the 27th of last month.

Mr. Bristol gave some of his views, which, he said, are the result of a lifetime in the life insurance profession. He emphasized the fact that life insurance is the only certain possession in the inventory of a man's estate, and cited several instances to prove his claim. Ebner B. Ward, of Michigan, during his life was credited with a fortune of \$5,000,000, but at his death the property had so decreased in value that it was worth practically nothing. The same property two years later was worth \$10,000,000. In the case of the Campbell estate of St. Louis the ready cash from a life policy of \$700,000 would have kept an estate of \$60,000,000 from decreasing to \$16,000,000.

He also called attention, in connection with the winter campaign in life insurance circles, to the fact that the value of a dollar has decreased within the past few years so that what it could have bought five years ago now requires an additional 30 cents. In the same ratio the face value of life insurance has also decreased. He earnestly urged the elimination of part time men.

Oliver M. Thurman, of the Phoenix Mutual, gave an interesting account of the Cincinnati convention. The plan of the association for a publicity campaign met with approval by the members.

Warren M. Horner, chairman of the Committee on Education and Conservation of the National Association, addressed a meeting of the Connecticut association in the afternoon of the 2d inst. at the Hartford Club, Hartford. About forty members were present. In his address, Mr. Horner stated that the object of his committee was largely to educate the general public with reference to the economic value of life insurance, with a view to dispelling the prejudice which the great majority of persons have against life insurance. He also went into the plan of institutional advertising, which project has received wide publicity, and also declared that the platform of his committee was in favor of standardizing methods of work by agents. He closed with the following twenty-five word message to the life insurance fraternity: "Life insurance companies, mobilize; life insurance agents, mobilize; life insurance companies and life insurance agents, mobilize; mobilize against ignorance outside and inefficiency inside; mobilize, mobilize."

Georgia.

Optimism was the keynote of the November meeting of the Georgia association, which was held on the evening of November 17 at the Hotel Ansley, Atlanta. The attendance was excellent, and from the experiences recited it was evident that there was a general revival of business and that practically normal conditions now prevailed. The meeting was in direct contrast to the August gathering, at which time it was the general opinion that the depression in business circles would seriously militate against a successful year. W. S. McLeod, of the Southern States Life, and A. S. Caldwell, of the Volunteer State Life, were elected to membership.

Erie.

Routine business only was transacted at the regular November meeting of the Erie association. The following new members were admitted: J. Ray Davis, Manager of the Penn Mutual; Fred V. Brown, General Agent of the Penn Mutual, and Charles F. Sutz, of the Mutual Life.

Grand Rapids.

Over 30 life underwriters were present at the monthly meeting of the Grand Rapids association, held on the evening of Dec. 5 in the dining room of the Association of Commerce. It was the first meeting following the annual election, and President J. A. Bassford and Secretary Ned Bomers assumed their official places. H. W. Baker, superintendent of the Metropolitan Life, and Superintendent A. E. De Nio, of the Prudential, gave interesting addresses on "The Industrial

Agent." H. Wibirt Spence, treasurer of the National Association of Life Underwriters, told what is being done in the big organizations, and an official from the Lansing association spoke of the work of the body he represented.

Indiana.

At the regular November meeting of the Indiana association considerable attention was given to the recently organized Insurance Federation of Indiana, and R. T. Byers and Wm. F. Osborn, who represent the Life Underwriters on the executive council of the Federation, outlined the plans of the latter body. A special committee which has been endeavoring to have the ministers of Indianapolis devote a special Sunday to Life Insurance, made its report through Chairman Osborn, and it was found that a special Sunday was not feasible, although representatives of the Ministerial Association stated that they would be glad to exert their influence in favor of having those ministers who would be willing to do so to preach such a sermon at some time when it might be convenient to them.

There was a round table discussion upon "How to Secure New and Retain Old Business During War Times," the leaders in the discussion being Messrs Young, Pinkus, Ramsdell, Osborn, Hawkins, McClellan, Simmons, Brewster, Wilson and Bone.

For the purpose of arousing interest in the Indiana Insurance Federation, a special meeting of the association was held on the evening of November 30, at the Claypool Hotel in Indianapolis. W. S. Diggs, of the Ohio Federation, was the principal speaker. After this gentleman had put forth his arguments in support of the Federation, it was decided that the association did not deem it advisable to join in a body, but those of the members who care to do so are privileged to join as individuals.

Jacksonville.

Elevating the standard of the life insurance agent and eliminating some of the unpleasant features of the business were the issues before a meeting of the Jacksonville association, in the banquet room of the Jacksonville Board of Trade Nov. 23. The meeting was a lengthy one and was well attended. At all of the meetings since the formation of the association, some weeks ago, there has been much interest in the sessions.

Kansas City.

The following new members were admitted to the Kansas City association at a meeting held on November 14: Homer McElhany, General Agent Security Mutual; E. L. Grant, General Agent Continental Assurance Co.; R. J. England, General Agent Missouri State Life.

Knoxville.

At the November meeting of the Knoxville association a resolution was introduced by W. B. Henderson, which it is believed will result in obtaining legislative action in the State, requiring educational qualifications in Life Insurance of all new agents licensed after the passage of the act. It is believed that this will largely eliminate the employment of part time men as solicitors, as well as to entirely stop the practice in some quarters of having an employe or personal friend of an applicant employed as an agent as a subterfuge for rebating.

Louisiana.

In view of the education campaign which is being carried on in the Daily States of New Orleans by the Louisiana association, it has been decided not to contribute to the fund being raised by the National Committee on Education and Conservation. At a meeting held on November 30 a membership card was adopted and a campaign for increase in membership was started. Claude D. Corey, chairman of the membership committee, will circularize life men throughout the State, soliciting their membership at dues of \$1.50, which is half the rate of city members.

Louisville.

Winslow Russell, Superintendent of Agencies of the Phoenix Mutual, was the guest of honor and principal speaker at a

meeting of the Louisville association, held on November 30 at the Hotel Henry Watterson. President W. W. Dennis was at Pass Christian, Miss., with his son who has been ill, and at the banquet Vice-President Burbank presided.

Mr. Russell answered most acceptably the following query: "Are conditions right in the Life Insurance field? If they are not, what can we as individuals and associations do to better these conditions?" The speaker dwelt upon the necessity of securing high grade men as solicitors. He emphasized the importance of proper preparation for agency work, and declared that the part time man or helper should be entirely eliminated from the business. He mentioned the case of his own company, which had eliminated 996 men from January 1 to October 15. These men had been giving but a part of their time to the company, and notwithstanding the business depression of the present year, the volume of business produced by the agency force, leaving out of consideration the men eliminated, had increased over a corresponding period of the previous year.

Former National President Henry J. Powell told of the good work which had been accomplished by the local associations and the National Association.

Los Angeles.

The Los Angeles association held its November meeting on the 19th of last month at Christopher's. Vice-President B. P. Rouse presided, and several new members were elected. A committee was appointed, consisting of Messrs. Russell, Rathbun, Webb, Hoefflin and Gilligan, to meet with a committee from the San Francisco association to make plans in connection with the 1915 convention of the National Association.

After a discussion, it was decided to ask the members of the Life Agents' Association, which is a new association, to join the Life Underwriters' Association in a body, with the understanding that they could elect officers for the ensuing year. This was thought to be a practical solution to the difficulty. In response to an appeal from the Belgian Relief Committee, it was unanimously resolved to donate \$100 for that cause.

Western Massachusetts.

"The Life Extension Institute" was described by Harold A. Ley in the evening of Nov. 20 at a meeting of the Life Underwriters' Association of Western Massachusetts in Cooley's Hotel, Springfield. He spoke of the connection of the institute with the insurance companies and its value to them and the policyholders.

A. B. Franklin, Jr., presided, and he announced that the next meeting of the association will be held Dec. 18, when F. W. Tasney, of the Prudential, Newark, N. J., would speak. R. R. Aggas, H. E. Thayer and D. A. Hathaway were accepted as new members. Mr. Ley said in part:

"Any doctor will tell you that if he should examine 100 men, the chances are good that he would find five men out of this 100 with some trouble of which they were unaware, but which if corrected might prolong a man's life five years. Does that sound like a wild statement to you? I believe that after one year's experience in examining policyholders we would find 15 instead of five, but suppose that we find only one and that man carries \$55,000 insurance. See what the company has made, interest for five years at \$2,750, amounting to \$13,750; five years' premium at \$2,000, amounting to \$10,000, and a total of \$23,750 for an investment of \$300. If we find two men we have made \$47,500. At a dinner in New York a year ago given by former President Taft to President Day, of the Equitable, and others I asked these men if they saw any flaws in my figures to stop me, and the only remark made when I had finished was by Mr. Davidson, when he said: 'I guess I've been wasting my time.' The result of that dinner was that Haley Fiske agreed right there to give us a contract as soon as we were organized, and Mr. Vanderlip, of the National City, and Francis Cooley, of Hartford, agreed to become directors.

"I interested Prof. Irving Fisher, of Yale, in the plan of the formation of the institute. All I had in mind at first was a purely commercial proposition, but he convinced me that to make a success of a company like this it is necessary to interest the best medical and professional minds of the country, with the result that we formed a company, and two-thirds of whatever profits we make go for public health and philanthropic work. With this arrangement I got the money together and he got a medical advisory board composed of 100 of the most eminent medical and professional men in this country and three or four from abroad. I shall mention only a few, such as Messrs. Chittenden, Yale; Mendel, Yale; Blumer, Yale; Sargent, Harvard; Edsall, Harvard; Sedgwick, Massachusetts Institute of Technology, and a number of others.

"Former President Taft consented to become chairman of the board of directors. Colonel Gorgas, who made the death rate per thousand in that pesthole, Panama, less than in New York City, agreed to serve as consultant in hygiene. These men do not hold stock in the company, but they believe that the same field for improvement exists in the North as existed in the tropics.

"The service that we are selling to the insurance companies is entirely different from the examinations to which you gentlemen are accustomed. When an insurance company offers this service to a policyholder it does it when it sends him his premium notice. He gets the examination if he pays the premium. A good scheme to keep business on the books. It is entirely voluntary on the policyholder's part, and if he decides to take it he fills out a card and mails it to the company.

"The company sends us the man's name and we make all the necessary examinations. When this offer is made to 100,000 men there will be only about 5 or 10 per cent. who will avail themselves of the privilege, but these men want to know and are anxious to give us all the information that they can about themselves. If the person examined hasn't anything more serious than some bad habits we send him some of our 'keep well' leaflets on the particular habit that needs correcting. If we find something serious we advise him to see his doctor, and we communicate direct with the doctor telling him what we have discovered. After that it is a matter of private arrangement between the man and his doctor."

Minneapolis.

The Minneapolis association tendered a reception to new members recently admitted, at 6.30 p. m. on November 23, at the West Hotel. Fifty-one life underwriters were present. A special program was rendered, consisting of speeches by several of the members, and music by the association quartet, consisting of Messrs. R. W. Edwards, R. G. Butts and W. C. Addy. President G. J. Carlson presided and delivered greeting to the new members, to which George T. Blanford responded. Miss Kirkwood, of the Mutual Benefit, told of her experiences during a trip to China and Japan. B. H. Timberlake delivered a monologue and incidentally recited a couple of humorous poems. Lorin Hord, of the Home Life, talked on "Some Things I Have Learned from My Dealings with Men in the Matter of Life Insurance" and W. C. Addy rendered a whistling solo with piano accompaniment. Treasurer E. N. Patterson, as announced on the program, introduced the Nestors to the Neophytes, the old members to the new, and in doing so took up their peculiarities, and also flayed some of the members in a joking manner. His facetious flings were all taken in jest and a very enjoyable meeting was experienced.

Minnesota.

The annual meeting of the Minnesota association was held in St. Paul, Minn. Covers were laid for 30. The speakers were James W. Foley, of Chicago, formerly of North Dakota, known throughout the Northwest as the poet laureate, who gave readings from his works and spoke briefly on the association's work in Minnesota. M. J. Dillon, who was a

delegate to the National Convention at Cincinnati, made a report of the proceedings of the meeting. E. W. Randall, president of the Minnesota Mutual, also president of the American Life Convention, made an interesting speech showing that the Life Insurance Presidents' Association, the American Life Convention and the National Association, were, for the first time, working in harmony with each other for the advancement of the great business of life insurance, and also spoke entertainingly on the "Fireside Campaign." The leading feature of the meeting was the election of officers for the ensuing year. Two candidates were selected by a nominating committee composed of W. Horace Locher, P. W. Fahey and J. J. Bullis, for the offices of president, first vice-president and second vice-president. Charles Learned, Jr., of the Union Central Life, received the majority of votes for president and was declared elected, as was John K. Robinson, Penn Mutual Life, first vice-president, and B. H. Deters, Equitable of Iowa, second vice-president. Phillip Burgon, Penn Mutual Life, was nominated for treasurer, and M. J. Dillon, Pacific Mutual Life, for secretary. There being no opposing candidates for these two offices, the retiring secretary, Charles E. Learned, Jr., was instructed by unanimous vote to cast one vote for Messrs. Burgon and Dillon, for treasurer and secretary respectively, who were thereby elected to fill these offices for the ensuing year.

The general agents present subscribed \$450 to the Educational and Conservation Advertising Campaign, and a committee composed of George H. Harrison, Charles E. Learned, Jr., and J. E. Hunt was instructed to secure subscriptions to this fund from those general agents who were not present at the meeting.

The by-laws were changed, whereby the monthly meeting is to occur at 6.30 p. m. on the second Monday of each month in the future. The by-laws were also changed, whereby the annual meetings of the association shall occur in future in January of each year instead of November.

The unanimous opinion of those present was that this was the most interesting and enthusiastic meeting the local association has ever held.

Mississippi.

The Mississippi association will offer two prize cups, to be known as "The Mississippi Association of Life Underwriters' Cup," one cup to be awarded to the college student and one cup to the high school student submitting the best essay on an assigned subject. The cups will be contested for annually, it being understood and agreed that any institution winning a cup three years in succession becomes the owner thereof.

The subject for the 1915 contest will be "Life Insurance as an Evidence of Thrift."

Judges for the local contest shall be selected in any manner the authorities of the institution may elect. The three judges for the State contest shall be appointed by the president of the Mississippi Association of Life Underwriters.

All manuscripts submitted by the students of an institution shall be delivered by the professor of English to the local judges provided for above. The manuscript of the successful contestant shall be promptly forwarded to A. C. Crowder, president, Mississippi Life Underwriters, Jackson, Miss.

All local contests must be held in time for the essay of the successful contestant to reach Jackson not later than March 1, 1915. The judges of the State contest will render a decision as soon thereafter as possible.

Essays must not exceed 2,500 words in length, and must be written, preferably in typewriting, on one side only of paper 8x10 inches, with a margin of at least 1¼ inches. Manuscripts not easily legible will not be considered.

The name of the writer must not appear on the essay, which should be accompanied by a letter giving the contestant's name, school and home address, and sent to A. C. Crowder, president, Jackson, Miss.

New Hampshire.

A special meeting of the New Hampshire Life Underwriters was held on November 23, at the Underwriters' Club in Man-

chester. Paul Alexander, of the Fidelity Mutual, was the principal speaker, and the object of his address was "The Life Underwriter of To-day."

Nebraska.

The regular November meeting of the Nebraska association was held on the 14th of that month, in Omaha. W. J. Fischer, General Agent of the Northwestern Mutual at St. Louis, was the principal speaker. He demonstrated, in a concise and interesting way, the growth of Life Insurance in the United States together with the fact that only one year's wealth of this country is insured. Mr. Fischer was a charter member of the Nebraska association, and H. D. Neely, the only other charter member present, made a few remarks.

New York.

More than one hundred members of the New York association met at noon, on November 24, at Kali's Restaurant, to diagnose present business conditions. In a brief speech, President Julian Myrick told that he had, at the suggestion of the Executive Committee, written to the offices of the various life insurance companies operating in New York and the leading general agencies, asking whether or not their production, up to date, showed an increase over the corresponding period for last year. He stated that on the average there was a net gain of 15 per cent. for the first 10 months of the year. Fifteen replies indicated a gain, five replies showed that a loss had been experienced, and there had been no reply from four other sources. It was evident, Mr. Myrick stated, that in August and September there had been a falling off, but it was equally true that production during the month of October had gone ahead considerably.

Mr. Myrick introduced Col. Joseph A. Goulden, who was just elected for the sixth time to represent his district in the House of Representatives at Washington. Col. Goulden spoke of conditions at Washington, and facetiously remarked that he wished Congress would go home for five years and give the country a rest. He spoke in glowing terms of President Woodrow Wilson and claimed that the President's record of accomplishment could scarcely be equalled, and that in his opinion he was the greatest President the country had had since Abraham Lincoln.

Alexander Dumas, of the New York Life, was the next speaker, and it was his opinion that there was considerable depression in business circles, but that it was only temporary. He urged the agents to be satisfied with smaller commissions. Mr. Dumas claimed that under the circumstances an agent would be perfectly justified in writing term insurance and that company representatives would be then in position to convert this business to some better plan when business revives.

Max Reinboth, general agent of the Germania, followed Mr. Dumas, and took exception to the latter gentleman's remarks about a term insurance. Mr. Reinboth was quite emphatic, declaring that the cry about hard times was absolute tommyrot and that term insurance was the most expensive in the end, and that by selling this form of policy the agent had educated his prospect wrong from the very beginning. "Talk war," said he, "and you can't talk life insurance."

Abner Brown, of the Mutual Benefit, declared that he found business conditions satisfactory, and that his agency was 50 per cent. ahead of last year. Sydney S. Landau, of the New York Life, told how he had been in the business but a few months, having originally been engaged in the real estate business. His success was such that he felt very much encouraged, and claimed that it was due to hard, conscientious work and an inflexible schedule of interviewing six or eight people every day of the week. John S. Tunmore, general agent of the Provident Life and Trust, maintained that business is what the agent makes it, and that term insurance is like renting a house, instead of buying it. He spoke of the tremendous impetus which would be given to business because of the National Reserve Banking System which had just gone into effect, and declared that the man who did not take advantage of it was missing great opport-

I Met a Fellow the Other Day!

He said: "Bill, I am just out of college and have been thinking of entering the life insurance business. What do you think of it?"

"Well, I didn't use to like it—but there is a Company which has developed a 100 per cent. agency service. They carefully train you through their EDUCATIONAL DEPARTMENT—then place their SALES DEPARTMENT at your disposal—and are continually serving you in a way that keeps you enthusiastic and making money."

"What Company is it?"

The Phoenix Mutual Life Insurance Company OF HARTFORD, CONN.

JOHN M. HOLCOMBE, President

unities. R. M. Simons, of the Home Life, supported Mr. Dumas in the latter's contention that term insurance was good insurance and that it should be written where a better form of policy could not be placed.

Perez F. Huff spoke of the opportunities which always presented themselves in writing business insurance. He advocated that the agents pay particular attention to the small business men, the butcher, the baker, the grocer, and gave a bit of experience, showing how he wrote \$250,000 in one week.

North Dakota.

The North Dakota association held its regular November meeting in the Commercial Club rooms of Fargo. The meeting was a success in every particular, and was attended by the greatest number of life underwriters from all over the State of any meeting since the beginning of the organization.

After the regular business session, which included a large addition to the membership of the association, the reception committee presented Governor L. B. Hanna. Governor Hanna gave a very able address on "The Raising of the Standard of the Profession of Life Insurance in This State." He first spoke of the great and varied reasons why every citizen of the State should carry life insurance, explaining that on several occasions he had urged friends to take out enough life insurance to meet their liabilities, so that in the event of death the family would not be left penniless or with an incumbered estate. He then spoke of the need for discouraging the wrongful habit of making loans on policies, and strongly advised the underwriters present to discourage by all possible means this misuse of life insurance funds on the part of policyholders. His main point was the need for a better class of agents to present this great business proposition to the people, that it required the best men; men of the highest standing in their respective communities to represent the various companies, so that the people could be properly advised as to what they should really secure in the way of protection for their families. He called attention to the manner

in which the other professions, such as medicine and law, had eliminated absolutely the quacks that at one time had played havoc in those professions, and advised that if the life insurance men would put their shoulders to the wheel they could through organized effort obtain the highest standard of efficiency, and place the life insurance profession on a pedestal unknown to the business in days gone by. The Governor's speech was powerful and to the point, and was thoroughly appreciated by all present.

Oregon.

Forty-two members and guests were present at the November meeting of the Oregon association, which was held at the Commercial Club, in Portland. Hubert H. Ward, on behalf of the National Association, presented to the local body the Charles Jerome Edwards Trophy, won by the Oregon association at the Cincinnati convention on account of the largest increase in association membership during the association year. Five new members were admitted.

The secretary read several communications from the various officers of the National Association, one calling attention to the necessity of subscribing to copies of the Cincinnati Convention Proceedings, and another with respect to the Education and Conservation propaganda.

Hubert H. Ward gave an interesting synopsis of the Cincinnati convention, and Edgar W. Smith, who was also a delegate, gave a ten-minute talk in which he set forth the benefits which would accrue to every member who attended a National convention. A committee was appointed, consisting of A. D. Katz (chairman), William Goldman and E. L. Harmon, to wait upon Governor-elect Withycombe and suggest to him that in the appointment of an insurance commissioner it would be desirable to consult the life insurance interests of the State. J. H. Fouchard, of the Knox School of Salesmanship, and Samuel E. Webb, of the Northwestern University, discussed "Human Efficiency in the Business Realm."

Central Pennsylvania.

The regular monthly meeting of the Central Pennsylvania association was held on the 7th inst. at Harrisburg. Two new members were admitted, W. E. Dietrich, Phoenix Mutual, and J. C. McDowell, New England Mutual. The meeting took the form of a noon-day luncheon. Meetings held at that hour are increasing in popularity. Routine business only was transacted.

Pittsburgh.

Col. T. J. Keenan was the principal speaker at a meeting of the Pittsburgh association which was held at the Fort Pitt Hotel in November. The subject of Col. Keenan's address was "War Risks." Another feature of the evening was an illustrated talk on "California and the West," by Frederick Vining Fisher, of San Francisco, Cal. A business meeting was held preceding the dinner and the election of 59 new members was acted upon favorably.

The December meeting of the association was held on the 3d inst. at the Fort Pitt Hotel. The speaker of the evening was William J. H. Boetcker, of Toledo, O., the subject of his discourse being "Thinking Ahead." Lawrence C. Woods took up the question of business in December and referred to that month as the greatest life insurance month of the year.

Former National President Charles W. Scovel supported Mr. Woods in his views and urged underwriters to be ready to take advantage of a period of prosperity which is about to sweep over the country.

President William M. Duff presided over a general discussion of the recent case of rebating in Philadelphia, which has received so much publicity. There was also some attention given to the practise in the various hospitals of intern charging fees for filling out proofs of death, the fees depending upon the amount of insurance involved. While this practise was generally condemned, there were several who offered no objection to a small fee.

Roanoke.

At a called meeting of the Roanoke association, Nov. 19, 19, Neil D. Sills, of Richmond, was present and addressed the association. Mr. Sills discussed the plan to have an insurance congress in Richmond early in 1915 of all insurance men in Virginia, North Carolina and Washington, to discuss the interest of policyholders regarding certain proposed tax measures now pending.

The association adopted a resolution regarding proposed

"What the Equitable Offers"

What the Equitable Offers is the title of a booklet listing in detail the many attractions and advantages of Equitable policy contracts.

While intended for the prospective insurer, it will interest any insurance salesman who is curious to know why Equitable policies sell readily, renew steadfastly and meet every conceivable need of all classes of insurers. A copy will be sent to any address on request.

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of the United States

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W. A. DAY, President

Satisfied Policyholders

The constant line of applicants
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GOOD JUDGMENT

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LIFE INSURANCE COMPANY
OF BOSTON MASSACHUSETTS

WILLIAM N. COMPTON

General Agent Metropolitan District

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endowments for various eleemosynary institutions, agreeing to co-operate in the placing of these endowments.

A charge of irregular practise in regard to twisting an application after the premium had been paid was preferred against an agent. The matter was referred to the executive committee for investigation before placing it before the Insurance Commissioner of the State.

A unanimous vote of thanks was extended to Mr. Sills for his able address on "Insurance Taxation," and wise counsel regarding other important matters.

Rochester.

At the November meeting of the Rochester association Gray Babcock reported for the delegates to the organization meeting of the Insurance Federation of the State of New York, and urged every life insurance man to support the movement. President Withington gave an interesting resume of the work which is being done by Miss H. E. Bingeman, who represents the Woman's Education and Industrial Union in the Health Education for Adults movement. A prominent committee, consisting of representatives from the Chamber of Commerce Life Underwriters' Association, the Board of Health and the Woman's Education and Industrial movement, are furthering the work in Rochester.

St. Louis.

Winslow Russell, Superintendent of Agencies of the Phoenix Mutual, was the guest of honor of the St. Louis Association at its monthly meeting held at the American Annex on the evening of December 2. He spoke on the subject "The Next Step Forward," which he conceived the working out of better agency conditions.

Mr. Russell said:

"As a result of the new rule put into effect early in 1914 by the Phoenix Mutual, 996 contracts have been terminated this year without any appreciable loss of business. Five hundred of these were cancelled out of five agencies, and for the first ten months of this year these five agencies are about \$1,000,000 ahead of the first ten months of last year. One agency formerly had 120 contracts out, and now has only 27, and are \$327,000 ahead of last year."

The speaker further stated:

"Definite service should be given to new life insurance agents; it creates efficiency. I know of an absolute case where 40 per cent. of an agent's business was directly traceable to a 'service department' and another 40 per cent. indirectly. One of the most vital things accomplished by a 'service department' is the conservation of the time of the man who carries the rate book.

"I believe in the daily report system. I have picked 13 average agents who, in 1912, were not using the daily report system, and in the first ten months of that year reported \$37,649 in premiums. In 1913 these same agents began using the daily report system, and for the first ten months of that year their premiums reported were \$47,734. For the first ten months of this year, still using this system, they have reported premiums to the amount of \$53,204."

Mr. Russell claimed that life insurance companies and agency managers are now beginning to realize more than ever the necessity of Service and Educational departments for the benefit of their agents, in order that they may more intelligently present their proposition to the insuring public.

Sacramento.

The second regular meeting of the reorganized Life Underwriters' Association of Sacramento was recently held at the Hotel Sacramento. All of the boosters were present, as was evidenced by the big turnout from the Prudential, Metropolitan and the West Coast offices.

President Shoemaker, superintendent, West Coast, opened the school of instruction by giving a 10-minute talk on "Enthusiasm and Energy." Vice-President Clevenger, superintendent, Prudential, followed with a masterful speech on "Harmony." Secretary-Treasurer Kelly, superintendent, Metropolitan, made a very instructive talk on the "Whys and Wherefores of a Life Association." Assistant Reilly, of the

Prudential, gave a very interesting talk on "We Are Just What We Think We Are." Assistant Mayhew, of the West Coast, rendered a 10-minute explanation of "The Value of Time."

Agent Bellchamber, of the Prudential, made a forceful address on "Mental Telepathy," and Assistant Christian, of the Prudential, gave a five-minute talk on "The Value of a Membership in a Life Association."

Assistant Schaefer, of the Prudential, gave an excellent 10-minute talk on "The Value of Straight Canvassing." Other talks were given by Agent Waller, of the Prudential; Agents Saunders and Dalton, of the West Coast, and Assistant Swanson, of the Prudential. The prevailing sentiment of the boosters is "Sacramento on to first place in the field at large."

San Francisco.

National Vice-President John Newton Russell, Jr., and former National President Frank E. McMullen, both of Los Angeles, were the guests of honor of the San Francisco general agents and managers at a luncheon at the Palace Hotel on the 13th of last month. The affair was planned as an expression of the appreciation of the San Francisco life underwriters of the successful efforts of the guests in securing the 1915 convention for the exposition city.

William L. Hathaway, Commissioner of the World's Insurance Congress, presided as toastmaster, and gracefully extended the thanks of the local association to Messrs. Russell and McMullen. Brief talks were made by John Landers, E. H. Lestock Gregory and F. A. Wickett. It was suggested that a joint conference of all insurance men in the State be held at some point between Los Angeles and San Francisco, probably Fresno, the latter part of this month, and a committee was appointed to make arrangements for such a meeting. There was also a discussion on the question of an organization of managers and general agents, and the following committee was appointed to formulate plans for this association: L. B. Messler, San Francisco Life; E. H. Lestock Gregory, Aetna Life, and R. L. Stephenson, Union Central Life.

South Bend.

Officers for the ensuing year for the new association at South Bend, Ind., are: President, E. S. Johnston, Northwestern Mutual Life; vice-president, Edward Twomey, Equitable Life; secretary, J. B. Wright, Metropolitan; delegate to national convention, Ward Mack, Northwestern Mutual; members, C. D. Dille, Prudential; J. C. Romine, Indianapolis Life; L. L. Wildman, Aetna Life; E. A. Schaffer, Massachusetts Mutual; Joe Brink, Mutual Benefit; Tecumseh Kilgore, Union Central; Ward Mack, Northwestern Mutual; Edward Twomey, Equitable Life; L. E. Barter, Travelers; E. S. Johnston, Northwestern Mutual; Jack Irvine, John Hancock; D. W. Place, New England Mutual; J. B. Wright, Metropolitan.

Syracuse.

That it is almost criminally negligent on the part of society to allow itself to be taxed for the support of dependents, delinquents and defectives, when insurance in its various forms could be used to prevent such imposition, was the basis of a novel argument presented before the first winter session of the Syracuse Association of Life Underwriters at the City Club on the evening of December 12.

Forty members attended the banquet marking the opening of the winter programme and took part in the business meeting afterward. A plan of co-operative advertising in local papers was considered by the insurance men and met with considerable approval, but it is not expected anything will be done until next year, when a local campaign will be inaugurated in conjunction with the national campaign to be launched by the National Association.

The address given by Professor F. W. Roman was one of the main features of what association members characterize as "the most rousing meeting in the history of the organization."

In introducing the head of the department of economics at Syracuse University, in the person of Professor Roman, Her-

bert B. Husted, president of the association, announced the installation of a course in "insurance" in the curriculum of the Liberal Arts College. The new course will be taught beginning in February, the class to be in charge of Professor Roman.

This introductory announcement marks the successful conclusion of long and hitherto unsuccessful efforts of the association to have such a course made part of the regular university work. Professor Roman was greeted enthusiastically in consideration of this signal service rendered the association. His subject he announced as "The Views of a Pedagogue on Educational Insurance Campaigns."

Introductorily the speaker commented on public appreciation of the change during the last quarter century in the personnel of insurance solicitors. He recalled the days when it was considered a sin by certain religious denominations to take out insurance, because of its violation of the Scriptural injunction to look not to the morrow. He brought his discourse down to to-day, when it is considered a sin in intelligent circles not to have insurance.

"This change of attitude is due to the world-wide transition of the human race from an individualistic into a special stage," explained the professor, "and is a direct expression of changed attitude on the part of the race toward its units. It means that the individual cares for his own and wants to provide for them, and to save fellow citizens from the burden of supporting his dependents after he is dead.

"Every life insurance man is an educator," he declared further, "in that he is urging on individuals their duty toward their own and toward fellow individuals.

"I think the outcome of this educational campaign you are planning may mean in time, working through gradually enlarging circles of influence, the inauguration of a system of State insurance. You may think the world is not ready for that; that inimical forces keep man from caring for his fellow man.

"But why are you here, formerly perhaps, backbiting rivals in business—gathered into an association of the friendliest spirit—for protection; that is the reason, for mutual aid. That is the spirit of insurance. The time will come when society is so educated that it will demand insurance against the burden of supporting delinquents, detectives and dependents."

Professor Roman was voted into honorary membership, a distinction conferred previously on few; among those notables being Charles Evans Hughes.

Tacoma.

A large and enthusiastic meeting of the Tacoma association was held at the Olympus Hotel Monday evening, November 23. William Peterson, president of the association, introduced Arthur Finley, manager of the Penn Mutual Insurance Co., who had arranged the program and was chairman of the meeting.

A. B. Furner, secretary of the Puget Sound association, of Seattle, gave a talk on "Taxation of Life Insurance." He

was followed by Mr. Sharp, president of the Underwriters' Association of Everett, Wash., who gave some very valuable advice on methods of soliciting. Mr. Finch, of Seattle, also made some very interesting remarks on the methods of securing business, and in his droll, inimitable manner illustrated his remarks with a number of humorous anecdotes.

William L. Waltz, of Seattle, manager of the Travelers Insurance Co., gave an excellent address on "How to Secure Prospects." He said that during the last few months many agents had allowed themselves to be misled into thinking that the present time was not satisfactory for life insurance, but he said that most of the "hard times" talk was purely psychological, that now was the ideal time for men on salaries and business men in general to be taught the great advantage of building up an estate for the protection of their families and at the same time systematically saving their money for the protection of their old age. The element of risk is entirely eliminated when money is invested in old line life insurance, and the wise, conservative investor is the one who invests his money in such a proposition where he can look ahead without any misgiving as to the outcome.

Mr. Lind, a prominent business man of Prosser, Wash., said in part: "You life insurance men should fully realize the noble profession in which you are engaged. If one of you were to rescue a wife or child from drowning the newspapers and people on the street would laud you as a hero. You are actually engaged in rescuing widows and children from poverty, convincing husbands and fathers that it is their duty to have sufficient life insurance protection."

Several delightful solos were rendered by Mrs. Curlin, cashier of the Penn Mutual Insurance Co., before the speaking commenced.

Utah.

On the fifth of this month the Utah association held an interesting and helpful business meeting at the Commercial Club, Salt Lake City.

The president engaged a dining room and then later discovered he should have a larger room and yet when the members gathered more table room had to be provided.

There were no set speeches, no one engaged to give a stereotyped address, but a number of addresses were made. Some of those who addressed the association were President George D. Adler, former President C. D. Kipp, Fred C. Hathaway, chairman of the Executive Committee, and W. H. Ellison, chairman of the Membership Committee.

Two members who were present asked for applications to be sent to them and the association is in a good healthy condition. It succeeded in putting in some good work to prevent the Stamp Tax, which seemed to be coming. Its action in regard to it was urged by the National Association and not only do the policy holders of the state share in the results reached by such work, but all of the many millions carrying insurance in this country are being benefited because of the action of the National Association, together with the subsidiary associations.

"Westward the Course of Empire Takes Its Way"

A Western Company on the Western Edge of This Western Continent.



Organized 1868

The Pacific Mutual Life Insurance Company

of California, with forty-six years of successful experience behind it, stands in the open door of opportunity and is building for itself a constantly expanding place in life insurance.

Good connections can always be made with our General Agents throughout the country. Home Office, Los Angeles, California.

West Virginia.

Had the general public been permitted to be present at the sun parlor of the Windsor Hotel, at Wheeling, in the afternoon of Nov. 28, they would have witnessed a rare treat in the art of salesmanship and stood for a moment in the holy of holies of the life insurance profession. The occasion was the regular monthly meeting and luncheon of the West Virginia association.

The first number of the program was an exemplification of modern methods of life insurance solicitation, in which C. B. Taylor, of the Northwestern Mutual, played the part of the insurance salesman, and O. F. Heyman, of the same company, assumed the role of the cold, indifferent and hard-headed business man. The details of the entire affair were worked out to a fine point, even including the office boy. With two expert insurance men pitted against each other as solicitor and prospect it may easily be imagined that the ensuing debate was an interesting and animated one. The first skirmish showed how easily and gracefully the attention of a busy man can be gotten when approached in the right direction. The old stock objections of being too poor to carry insurance, of having to die to win, of making more money in some other investments, and the final argument for putting it off until next year, were raised and answered in approved fashion, the solicitor ending the interview with a signed application for a \$10,000 policy.

The participants were given the closest attention by all present, and frequent applause marked the telling points in each man's argument. After listening to this performance the layman would immediately come to the conclusion that the only man safe from the wiles of the members of this asso-

ciation is an inmate of the penitentiary about to be hanged.

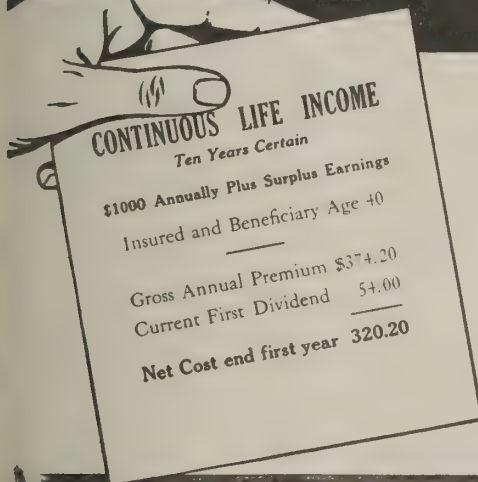
The concluding feature of the program was a discussion of the merits of the income policy, participated in by J. E. B. Sweeney, of the Equitable, and H. M. Kimberland, of the Union Central. The various points of advantage of the in-

**AGENTS WHO REPRESENT
THE
PENN MUTUAL
LIFE INSURANCE COMPANY
OF PHILADELPHIA**

**HAVE AN INSURANCE CONTRACT
TO PRESENT WHICH IN THE SUM
OF ALL ITS BENEFITS IS UNSURPASSED
IT IS BEST NOT JUST ONE WAY
BUT BEST ALL WAYS**

**AND ALWAYS
BACK OF IT IS A SIXTY-SEVEN YEAR
REPUTATION FOR FAIR DEALING
WITH ALL ITS POLICYHOLDERS WHETHER
CONTINUING, WITHDRAWING, MATURING
OR DYING**

Study this typical Union Central Policy!



CONTINUOUS LIFE INCOME
Ten Years Certain
\$1000 Annually Plus Surplus Earnings
Insured and Beneficiary Age 40
Gross Annual Premium \$374.20
Current First Dividend 54.00
Net Cost end first year 320.20

Note the liberal dividends—note, too, the extremely low net premium rate.

An argument like this backed by the Union Central's good name, is a business-winner unsurpassed in the field of life insurance.

Hundreds of men everywhere have found this just the Success Opportunity they wanted. YOU, too, can make good as a Union Central Agent. Write now for particulars to Jesse R. Clark, Pres., or Allan Waters, Supt. of Agents.

**The Union Central Life Insurance Co.
OF CINCINNATI**



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BINDERS**

**High-Grade Book and
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**EXPERTS IN
INTRICATE
COMPOSITION**

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come policy over the usual lump sum payment were brought out and discussed at length. The inability of the average woman to invest wisely a large sum of money, due to her lack of business training, was dwelt upon as the chief argument for the income plan, whereby she is assured a certain stated income for life that cannot be diverted by any mischance or misfortune or mistake of financial judgment.

Youngstown.

The Youngstown association met in the evening of November 12 at the Y. M. C. A. for supper and discussed plans for the coming winter. A good representation of local life insurance men participated in the meeting. The association proposes to conduct a campaign for more members and also along educational lines for the benefit of the general public as well as the profession.

STATEMENT OF THE OWNERSHIP, MANAGEMENT, CIRCULATION, ETC.

Of Life Association News, Published Monthly at New York City, Required by the Act of August 24, 1912.

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Owners: The National Association of Life Underwriters.

No bondholders, mortgagees or other security holders. The National Association of Life Underwriters is a voluntary association and is not incorporated.

(Signed) EVERETT M. ENSIGN,
Editor and Manager.

Sworn to and subscribed before me this 1st day of October, 1914.

JOSEPH C. STEBBINS,

Notary Public, Kings County.

Certificate filed in New York County.

(Seal) My commission expires March 30, 1915.

2 Billion, 406 Million Dollars

Life Insurance in Force January 1, 1914, shows the commanding position in the Life Insurance affairs of the nation held by



The Prudential

Agents Wanted.

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

FORREST F. DRYDEN, President.

Home Office, Newark, N. J.

Incorporated as a Stock Company by the State of New Jersey

No Grumbling Here!

Thus far our new business for 1914 exceeds that of the same period in 1913, both delivered and written. Our representatives are PROSPEROUS, not grumbling—are WORKING, not talking war. They have modern policies, low net cost, effective literature, a first-class agency magazine and happy relations with the Home Office.

Occasionally we have a general agency opening.

JOSEPH C. BEHAN, Supt. of Agencies

Massachusetts Mutual Life Insurance Company

Incorporated 1851

Springfield, Mass.

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OF HARTFORD, CONN.

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Also Non-Participating Term Policies

Agents will find that the policies of this Company cover a wider range and provide greater benefits than others, and are therefore easiest to sell.

Experienced and successful men, also successful men without life insurance experience, may find satisfactory opportunity with the AETNA LIFE. Address:

FRANK BUSHNELL, Agency Secretary,
HARTFORD, CONN.

or T. B. MERRILL, Supt. of Agencies,
1005 Insurance Exchange, 175 W. Jackson Blvd, CHICAGO.

Life Association News

OFFICIAL ORGAN OF THE NATIONAL ASSOCIATION OF LIFE UNDERWRITERS

Entered as second class matter, Feb. 4, 1907, at the Post Office at New York, N. Y., under the Act of Congress of March 3, 1879.

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No. 5

THE LIFE INSURANCE EDUCATIONAL PROPAGANDA.

THE EDUCATION AND CONSERVATION MOVEMENT REVIEWED, WITH SPECIAL REFERENCE TO THE OPPORTUNITIES OFFERED BY THE TEXT-BOOK NOW BEING WRITTEN.

Cincinnati Convention Address of Dr. S. S. Huebner Reproduced, in Part, to Emphasize Possibilities in High Schools, Educational Courses, Business Schools, Colleges and Universities.

It is the purpose of this number of the News to set forth the present status of that particular division of the education and conservation propaganda which, to the lay mind at least, appears to be purely educational. As a matter of fact, educational methods have been advocated by the Committee on Education and Conservation from the very incipency of the movement.

As the reader will observe, however, much attention has been given in this number of the News to the opportunities along educational lines, which will present themselves through the medium of the text-book on life insurance, now being written by Dr. S. S. Huebner, of the Wharton School of the University of Pennsylvania.

Before making reference to the introduction of courses of study on life insurance in high schools and more advanced institutions of learning, let us briefly review the education and conservation movement, so that it will be possible to see how education in its various ramifications has been the keynote of the entire project.

Movement Reviewed.

It was on Aug. 30, 1911, that Warren M. Horner, before the Chicago association, declared that it was his belief that the National Association should, through advertisements, literature and personal touch with laymen, conduct a campaign of publicity. At the Chicago convention, which occurred two months later, Mr. Horner again called the attention of the delegates to the absolute lack of any systematic and accurate campaign of educating the people as to the benefits of life insurance. A resolution was adopted at this convention endorsing Mr. Horner's views. From the Chicago convention on to the present day the idea has been gradually expanding. Indeed, in but a brief time it developed from its embryonic stage to a full-fledged propaganda, with a definite purpose in view. In addressing the Philadelphia association on June 18, 1912, Mr. Horner said in part:

It is up to the National Association to take the initiative in starting a bureau (I believe it should be a part of that organization) for the proper and thorough dissemination of information and progressive ideas of life insurance to the people of this country. This movement should originate and be conducted by the agents who know the needs, but in co-operation with the companies who should supply the funds.

The bureau to be a publicity, advertising and conservation campaign merged in one organization.

A bureau of this character could and should embrace both the conservation of health and conservation of insurance written. The companies would obtain

greater results at less outlay than by separate action.

At the Memphis Convention the National Association adopted the following resolution:

Whereas, The institution of Life Insurance, as conducted by our standard American companies, occupies a commanding position in comparison with all world movements in its economic and beneficent relation to humanity, and

Whereas, The comparative newness of the system and its rapid growth have prevented a proper understanding of the importance of the business both in its relation to the public and as a vocation, and

Whereas, The companies and managing agents deserve unusual credit for building a structure of such enduring qualities that plays so great a part in equalizing business conditions and in its amelioration of mankind, but higher standards can be reached in the employment of agents and in the methods used in field work, and

Whereas, The business calls for the highest type of manhood and salesmanship in field work, and

Whereas, There are agents in certain localities who indulge in practices which detract from the high ideals of Life Insurance, and

Whereas, The public is equally culpable with the irresponsible agent from a moral and legal standpoint in soliciting rebates as well as in not co-operating with these agents who are exercising integrity and efficiency in their endeavor to render better service, and

Standardizing the Business.

Whereas, There are unlimited opportunities for standardizing the business by adopting new and scientific methods, and

Whereas, The business of Life Insurance needs the service of and offers untold opportunities for young men of high ethical standards and ability, and

Whereas, Business and corporation Life Insurance has become well established and the amount of life insurance written by the standard companies is only about 15 per cent. of the amount that could be written, and

Whereas, This association has repeatedly reiterated its stand as unalterably opposed to rebates, twisting of policies and agents and given wide publicity to the fact that any agent is not worthy of confidence of the business public, nor ethically fit to be considered a representative life insurance agent who indulges in any of these practices or who preys in any way upon a competitor and does not secure business by self-inaugurated plans of work. Therefore, be it

RESOLVED, That the president of this association appoint a committee of five with power to confer with like committees of any other insurance bodies, to devise ways and means for greater publicity in life insurance, for some non-partisan campaign of advertising and conservation, and for a concerted movement to inaugurate a campaign of education through lectures or addresses and through general adoption of educational opportunities for the younger generation.

RESOLVED, That the adoption of this resolution carry with it the power to act on any plan approved by the executive council of this association whether in conjunction with such other bodies or an independent movement inaugurated by this association.

We quote the above resolution because it is here that the matter began to take concrete form, and the Memphis resolution marked the time when the National Association as a body began to realize the necessity of an aggressive campaign along the lines suggested.

Educational Facilities.

At a specially called meeting of the Executive Council, held in November, 1912, the Committee on Education and Conservation especially urged the establishment of life insurance educational facilities.

In February, 1913, a letter was sent out to the various life insurance companies, which communication read in part as follows:

The committee believes from its investigation that the campaign proposed is advisable, because: (1) It will educate the public as to the benefits of Life Insurance; (2) it will give them valuable information in the matter of selection of policies; (3) it will cure to a large extent the unnatural and unnecessary aloofness upon the part of the public toward Life Insurance and the life insurance agent; (4) it will give the public valuable information in regard to taxation and insurance laws; (5) it will aid materially in the matters of (a) conservation of insurance written, and (b) in the conservation of health; (6) it will result in better service all along the line to the public, the companies and the agents, and result in raising the standard of the whole agency system; (7) when this campaign is thoroughly launched the agents will find it twice as easy to sell insurance; (8) it will make dollars spent for partisan advertising bring far greater returns; and, finally (9) it will result in a permanent bureau of great and lasting benefit to the whole institution of legal reserve insurance, and (10) this bureau can become a part or adjunct of the president's association or a bureau separate from any other body.

We believe it is advisable to spend \$100,000 in the year 1913. Five cents (5c.) per thousand on the basis of the paid-for business written in the year 1912 will supply the desired amount.

The companies can easily save the small amount required from their present advertising and printing bills.

Atlantic City Convention.

From this time on, down to the Atlantic City convention in September, 1913, noticeable progress was made, and the report of the committee at this convention was one of the principal features of the gathering.

A meeting of the Executive Council was held on Oct. 6, 1913, at Pittsburgh, and the Committee on Education and Conservation was authorized to proceed, under the control of the Executive Council, to have the text-book written, to be used in the campaign of education, and was also authorized to arrange definite programs in various institutions of learning. Various other recommendations of the committee, with special reference to the institutional advertising campaign, were also adopted.

Arrangements were subsequently made for the publication of the proposed text-book, with Dr. S. S. Huebner as editor-in-chief. At a meeting of the executive committee of the National Association held on April 21, 1914, the Executive

Committee indorsed the work of the Education and Conservation Committee in preparing a text-book by Dr. Huebner and recommended that the committee intensify its campaign in respect to the education work in bringing the attention of high-schools and other institutions of learning to the preparation of this work.

The foregoing makes particular reference to the movement in its relation to the publication of the text-book, but elsewhere in this number will be found an announcement relative to the actual beginning of the institutional advertising campaign.

The Text-Book.

In turning our attention to the text-book, which as the work of the committee develops will be found to be of supreme importance, let us again consider Dr. S. S. Huebner's address on "Life Insurance Education," delivered before the recent convention of the National Association at Cincinnati. This address, which was published in full in the September issue of the News, dealt extensively with the various methods of reaching the general public which he felt should be emphasized in a comprehensive plan of life insurance education. In the course of his remarks, Dr. Huebner emphasized as one of the methods of spreading life insurance education the desirability of promulgating life insurance courses in high schools, educational courses, colleges and universities. In view of the importance of this subject in the educational program of the National Association those portions of his address which relate to educational courses in life insurance are herewith reprinted:

Life insurance, because of its complexity, is probably, of all business subjects, the most academic in character. Yet education in this field has, until recently at least, been limited almost wholly to those who are engaged in its various departments. The general public for whom life insurance really exists has been largely overlooked. The result has been that the institution not only suffers from unwise legislation, but the general public manifests only a faint interest in its great mission and seems to show a spirit of indifference to its success and a distrust of its methods. Probably no human agency so universally needed is so little understood. It will be conceded that it is high time that a proper public opinion should be developed and that many of the views now prevailing should be changed. The only way to do this, I believe, is through a comprehensive system of non-partisan education, which in the course of time will gradually mould the thought of the masses.

Life Insurance Education in High Schools, Educational Courses, Business Schools, Colleges and Universities.

Our educational program, as outlined thus far, is designed to have a reasonably immediate effect. I wish now to discuss a phase of life insurance education which will be slower to yield fruit, but which will be certain in its productivity and which should by all means be developed. Reference is had to life insurance education in high schools, Y. M. C. A. educational courses, business schools, colleges and universities. Just as an excellent school system means a progressive and growing nation, so the introduction of life insurance education in that school system will mean the advancement of life insurance. Adults may read and many are sure to forget, but drill a young man (and I emphasize the drilling) in the uses, functions and basic principles of life insurance and in man's sacred duties in relation to that institution and he will remember a great deal. Let us not forget that the student of to-day becomes the family head, business manager, teacher, agent and community leader in the pulpit, the press, the school and the legislative hall to-morrow; and if a knowledge of the uses and functions of life insurance is drilled into the minds of the young, and they are given the proper habit of thought, we may be sure that they will at the proper time translate that thought into action not only as regards themselves, but also in advising their fellow-man.

It is only in our higher institutions of learning (with the exception of courses given under the auspices of insurance organizations) that life insurance education has as yet made appreciable headway, and even here there is much room for extension and improvement. According to a compilation prepared by Robert Lynn Cox and others, in 1910, it appears that in that year 263 American colleges and universities, or 45 per cent. of the total number canvassed, treated the subject in some form. Of this number, however, 191 considered the subject only in connection with other courses, such as economics and sociology, and 39 more confined the instruction to their law departments. Only 33 colleges and universities, in 1910, and about 50 in 1913, in nearly all cases comprising the larger institutions of the country, offered special courses in life insurance. But in the great majority of these instances the courses, largely owing to the absence of qualified teachers, are devoted to a discussion of the historical, economic and social phases of the subject, and too little emphasis is given to the practical side of the business, such as the various uses of insurance, the methods of arriving at rates, the relative merits of various types of contracts and the practical application of the principles which underlie the business. It is right here that those of you who are giving your best thought to the working out of an educational program can use your influence to making the content of the courses such as to lead to the greatest good to the greatest number.

In working out a system of life insurance education for our educational institutions the content of the courses, aside from the method of instruction, is of transcendent importance. Opinions will naturally differ in this respect, but with your permission I will offer the following suggestions:

Courses in High School.

(1) Life insurance, so vitally affecting nearly every man and woman in the community and so intimately related to the welfare of the masses, should find some place in the curriculum of our high schools, preferably in the senior year. It is necessary to reach the largest possible number, and our colleges and universities reach directly only a small proportion of the nation's total student body. The courses offered in high schools must in most instances, although there are no doubt special exceptions which the teacher may best judge in view of the progress observed in the class, be simple, non-technical and non-mathematical, and may be restricted advantageously to an explanation, chiefly by way of detailed illustration, of the reasons why it is a duty to insure under certain circumstances, the practical uses to which life insurance can be put, the distinctive features of the few main types of policies and the general application to the business of the mortality table and the reinsurance reserve principle.

(2) Life insurance education in colleges and universities, however, should also be emphasized by all means, since, to an increasing extent, as is fully demonstrated by such publication as *Who's Who in America*, college graduates become leaders in the community and in themselves are educational forces in their respective localities. Do not forget that nearly all teachers in high schools are college graduates, and please reflect what a magnificent thing it would be for the educational program undertaken by this association if clergymen, editors and legislators had at one time during their college course had the benefit of instruction in the uses and principles of life insurance, even though such instruction were given only in connection with a general course in economics. How much easier it would be under such circumstances for you to enlist their valuable co-operation in a non-partisan campaign.

On several previous occasions I have been asked to outline an educational program for higher institutions of learning, the last time as recently as May, 1913. Since I have had no occasion to undergo a change in views, I will quote in part the program as outlined at that time (*The Spectator*, May 1, 1913, p. 34):

Program for Higher Institutions.

"It must be clear that it is quite impossible to treat thoroughly the complicated subject of insurance in a single course (as that word is understood in college life) and at the same time adapt that course equally to the needs of those students who expect to enter the insurance business and those who wish only the general outlines of insurance for the assistance which such knowledge may render them while engaged in other business pursuits. A single course will inevitably prove either too general and wholly inadequate for the special students preparing for the business, or too technical and uninteresting for the general student.

"To present the subject adequately and in accordance with the needs of different classes of students, the writer would suggest the following program, although he appreciates that its full adoption must be limited to the largest institutions and must necessarily depend upon the number of candidates offering themselves for the respective courses:

"1. The establishment of special courses in actuarial science. These courses can advantageously be given in the department of mathematics. Ordinarily they will have a limited attendance and applicants in the majority of instances will find it essential to supplement the course, especially by way of preparation, with other mathematical courses offered in the same department.

"2. The establishment of a separate course in life insurance adapted to the needs of those who intend to become solicitors or otherwise become connected with various departments of the business. The instruction in this course should be technical in character and cover the field thoroughly, with the exception of the higher mathematics. If the attendance warrants, this course should be followed by an advanced course in the organization, practice and law of insurance, which will afford special opportunity for study along lines which individual members of the class may especially desire to follow. Students in the actuarial group would find these courses a valuable supplement to their actuarial training.

"3. The establishment of a general course adapted to meet the needs of those students who desire only a general knowledge of insurance and who take the subject as a part of a general business course. This course should not be made nearly so technical and detailed as the special course and should emphasize the economic uses of insurance and acquaint the student with the general principles underlying sound insurance, the meaning of the various types of policy contracts and the advantage and disadvantages of each."

The Need for a General Text Book.

Before leaving this subject let me refer to the absence of and necessity for a proper text-book on life insurance for classroom instruction. Probably no business has so vast a literature as life insurance, but that literature either deals with the treatment of special subjects or, where it aims to handle the subject as a whole, is too mathematical and overtechnical for the average student, or has running through it more or less of a partisan flavor. A comprehensive text-book for general use, as distinguished from the needs of the specialist, should, in my opinion, comprise the following content: The introductory part should deal with the nature and uses of life insurance, and its chapters should discuss the economic concept of life insurance, its family uses, its business uses and the meaning of the leading types of contracts

used, together with a detailed explanation of the advantages and possible shortcomings connected with each. This portion of the volume should be written in such a manner as to adapt the book not merely to beginners of the subjects in colleges, but also for use to the layman and to students in high schools.

Another part should deal with the scientific aspects of life insurance and its chapters should present the essential considerations connected with the factors and assumptions underlying rate making, mortality tables, ascertainment of net premium for the most important types of contracts, loading, the reserve, surrender values, policy loans and the surplus. Having in mind again the layman and the student, this part of the volume should be as non-mathematical in character as possible and only simple mathematics should be used to make clear the scientific foundation that underlies correct principles.

Another part should present a discussion of (1) special forms of life insurance, such as fraternal, industrial, group, and total disability insurance, and (2) the problems connected with life insurance investments, taxation of life insurance companies and government regulation of the business. A proper understanding of these subjects requires a knowledge of the facts in the two parts preceding, and for this reason their treatment in a text should be postponed to this portion of the volume. Lastly, another part should furnish a classified statement of these essential legal principles governing life insurance in which the policyholders and agents are most interested. Chief emphasis should be placed on the law relating to the beneficiary, assignment of policies and insurable interest. The text throughout should aim to furnish a statement of the essential facts, principles and practices as they exist in connection with the foregoing subjects, and opinions and argumentative matter should be excluded.

VOICES OF AUTHORITY.

Utterances by the Alpha and Omega of State Regulation, Urging Just Such an Educational Campaign as Ours.

Elizur Wright and William H. Hotchkiss may be called the Alpha and Omega of State regulation of life insurance as it has developed in America. The former was the real father of the system 60 years ago and guided its early steps as Insurance Commissioner of Massachusetts. The latter was the Insurance Superintendent of New York, chosen by Governor Charles E. Hughes in 1908 to administer the new laws that marked the extreme length to which State regulation has thus far gone. They voice the interests of the general public in life insurance with peculiar authority.

"What is wanted," said Elizur Wright in 1872, "is that the schoolhouse and the press, the universal educators, shall take up the matter, not in the interest of the companies or their agents, but in that of the public and its coming generations."

Hear the echo in 1912 from the lips of William H. Hotchkiss, speaking on "the problem of educating the people to a reasonably sympathetic knowledge of what insurance is and does." As to the need he said: "The people possess less accurate knowledge of insurance than they do of any of the other great necessities of life." They are "not only wanting in sympathy for, but fairly chock-a-block with prejudice against, insurance, the insurance companies, yes, even insurance agents. The average man thinks of insurance as an instrument of finance—hated finance—rather than what it really is."

The remedy, Mr. Hotchkiss declared, consists in "the education of the people in what insurance is and does. Facts of conceded truth, without reservation even where trade secrets are involved, stated in plain language, spread by every possible agency—the schoolbook, the newspaper, the magazine, at public meetings, in private gatherings. It must be done thoroughly, entertainingly and convincingly."

LIFE INSURANCE, ITS PRINCIPLES AND PRACTICES

A Text Book Prepared Under the Auspices of the National Association of Life Underwriters by S. S. Huebner.

OUTLINE OF THE BOOK.

(First Draft)

LIFE INSURANCE, ITS PRINCIPLES AND PRACTICES.

PART I.

The Nature and Uses of Life Insurance.

Chapter 1—Elements Underlying a Sound Plan of Life Insurance.

- (1) Definitions of life insurance.
- (2) Combination of many risks into a group to make the law of average apply.
- (3) The accumulation of a fund for the disbursement of claims.
- (4) The accumulation of this fund according to scientific principles and a workable method.
- (5) Reduction in the cost of carrying risk the economic advantage of insurance.
- (6) The absence of speculation in life insurance.

Chapter 2—Personal and Family Uses of Life Insurance.

- (1) Life insurance the only sure method of hedging against risks incident to early death.
- (2) Stages in the development of responsibility to dependents with reference to life insurance.
- (3) The advantages of life insurance mostly indirect character.
- (4) Indemnification of the value of a human life, i. e., the capitalization of the value of a human life.
- (5) Life insurance increases the policyholder's initiative for undertaking ventures with limited capital by relieving the mind of unnecessary worry.
- (6) Life insurance forces and encourages thrift.
- (7) Life insurance vs. saving—saving requires time—life insurance should supplement a policy of saving—life insurance is the only sure method of safeguarding the policyholder against failure to have sufficient time to save adequately through other channels.
- (8) Life insurance furnishes the largest investment return consistent with entire safety.
- (9) Life insurance as a means of facilitating the purchase of a home.
- (10) An assured income secured through annuities.
- (11) Relation of the above advantages to society at large.

Chapter 3—Business Uses of Life Insurance.

- (1) The close connection between the home and business—The bearing of the advantages of life insurance as discussed in the preceding chapter, upon business pursuits of the head of the family.
- (2) Life insurance as a means of indemnification against the loss through death of promoters, valuable employees, etc.
- (3) The uses of partnership insurance.
- (4) Life insurance as a means of enhancing the credit of business enterprises.
- (5) Life insurance as partial security for bond issues.
- (6) Life insurance in many instances makes possible borrowing without collateral.
- (7) The advantage of borrowing against the surrender value in time of financial need.
- (8) Life insurance as a means of making contingent interests marketable.

Chapter 4—Classification of Policies.

- (1) According to the term of the contract.
- (2) According to the manner in which premiums are paid.
- (3) According to the manner in which the proceeds are paid.
- (4) Combinations of the various types of policies.
- (5) All types of policies are equivalent in *net cost*, assuming the same mortality table, the same assumed rate of interest, and the element of time.

- (6) While the several types of policies are equivalent to each other in *net cost*, one may be better adapted than another to meet the special needs of the insured.

Chapter 5—Term Insurance.
Chapter 6—Whole Life Insurance.
Chapter 7—Endowment Insurance.
Chapter 8—Limited Payment Policies.
Chapter 9—Instalment Policies.
Chapter 10—Annuities.
Chapter 11—Joint Life Insurance.

Chapters 5 to 11, inclusive, may each be discussed under four main headings, viz.:

- (1) Definition in general.
- (2) Various types and characteristic features of each.
- (3) Advantageous uses of, under certain circumstances.
- (4) Disadvantages of, if any.

PART II.

Science of Life Insurance.

Chapter 12—Mortality Tables.

- (1) Explanation of the tables now in general use.
- (2) Manner by which the tables were derived.
- (3) Recent progress in the collection and tabulation of data.

Chapter 13—Theories of Probabilities.

- (1) Explanation of the several laws of probabilities.
- (2) Their application to life insurance.

Chapter 14—Fundamental Principles Underlying Rate-Making.

- (1) Features with respect to rate-making which are peculiar to life insurance as distinguished from other forms of insurance.
- (2) Reasons why it is necessary to exercise great care in determining rates.
- (3) Assumptions underlying rate computations.
- (4) Classification of premiums.

Chapter 15—The Net Single Premium. Computation for Term Insurance, Whole Life Insurance, Endowment Insurance, Ordinary Instalment Insurance, Annuities.

Chapter 16—The Net Level Premium.

- (1) Classification of level premiums.
- (2) The annuity due.
- (3) Computation for term insurance, whole life insurance, endowment insurance, limited payment policies, ordinary instalment insurance.

Chapter 17—The Reserve.

- (1) Definitions of.
- (2) Purposes of.
- (3) Detailed explanation of its operation.

Chapter 18—The Gross Premium—Loading.

- (1) Definition of loading.
- (2) Purposes of loading.
- (3) Analysis of expenses.
- (4) Explanation of the leading methods of loading now in use.
- (5) State supervision of expenditures of life insurance companies.

Chapter 19—Surrender Values.

- (1) Meaning of.
- (2) Ways in which life insurance policies are terminated.
- (3) The extent of lapses and surrenders.
- (4) Non-forfeiture laws and their development.
- (5) Liberality of companies in the granting of surrender values.
- (6) Policy provisions with reference to, explained.
- (7) Explanation of the various forms in which surrender values are granted.

Chapter 20—Policy Loans.

- (1) Development of the loan privilege.
- (2) Extent of policy loans.
- (3) Liberality of companies in this respect.
- (4) Methods of companies in this respect.
- (5) Advantages resulting from the privilege.

(6) The privilege in its relation to lapses and surrenders
Chapter 21—The Surplus.

- (1) Meaning of.
- (2) Various sources from which derived.
- (3) "Saving in Mortality" explained.
- (4) Gain from investment earnings explained.
- (5) Saving in loading explained.
- (6) Gain from forfeitures explained.
- (7) Methods of ascertaining the surplus.
- (8) Participating and non-participating policies explained.
- (9) Methods of distributing the surplus according to the time of distribution:
 - (a) Annual or deferred distribution.
 - (b) Tontine plan.
- (10) Methods of applying the surplus, such as cash payment, not paid-up additions, extended insurance, accelerated maturity of the policy, etc.
- (11) State legislation pertaining to the surplus.

PART III.

Special Forms of Life Insurance.

(Part III will be prefaced with an editorial note, showing that the chapters of Parts I and II are descriptive of old line insurance.)

Chapter 22—Fraternal and Assessment Insurance.

- (1) The growth and decline of pure assessmentism.
- (2) The fundamental error of the assessment plan.
- (3) Types of assessment societies and companies.
- (4) Extent of fraternal insurance.
- (5) Distinctive characteristics of fraternal insurance.
- (6) Various premium and assessment plans now in use.
- (7) Evolution of fraternal rates, and the marked tendency to adopt the protective features of old line insurance.
- (8) The law pertaining to liability for payment of assessments.
- (9) Recent legislation concerning.

Chapter 23—Industrial Insurance.

- (1) Extent of.
- (2) Purposes of.
- (3) Industrial and ordinary life insurance compared—differences and similarities.
- (4) Distinctive features of the policy analyzed.
- (5) Mortality experience of the companies.
- (6) Premium charges and benefits, weekly premiums, collection of premiums—adjustment of the amount of insurance to the unit of premium.
- (7) Manner of computing rates.

Chapter 24—Disability Insurance.

- (1) Recent development of.
- (2) Advantages resulting from.
- (3) Disability clauses classified and summarized according to:
 - (a) Definitions of disability.
 - (b) Benefits granted.
 - (c) Limitations as to policies and risks.
 - (d) Age and time limits as regards the application of the clause.
- (4) Actuarial basis.

Chapter 25—Group Insurance.

- (1) Extent and purposes of.
- (2) Benefits derived from.
- (3) Methods of determining the acceptability of the risk.
- (4) Determination of policy face values.
- (5) Method of fixing premiums.
- (6) Payment of premiums.
- (7) Beneficiaries.
- (8) Legal status of.

PART IV.

Organization, Management and Supervision of Legal Reserve Companies.

Chapter 26—Types of Legal Reserve Companies.

- (1) Stock companies.
- (2) Mutual companies.
- (3) Mixed companies.

(The purpose of this chapter is to state the distinctive characteristics of each type of company).

Chapter 27—Organization of Companies.

- (1) Home office organization.
- (2) Agency organization and management.

Chapter 28—Life Insurance Investments.

- (1) Classes of life insurance funds which are invested.
- (2) Extent and character of investments summarized.
- (2) How life insurance companies differ from other investors.
- (4) Motives which guide companies in the making of investments.
- (5) Investments regarded as best suited for life insurance purposes.
- (6) High average earning power of companies consistent with entire safety.
- (7) Method of arriving at the "rate of earnings."
- (8) State legislation and supervision concerning.

Chapter 29—Government Supervision of Life Insurance.

(This chapter must not contain a duplication of those phases of State control already discussed in preceding chapters.)

- (1) State vs. Federal jurisdiction.
- (2) Insurance not an instrumentality of commerce according to the courts.
- (3) Regulation by statute, court decisions, and insurance departments.
- (4) The interstate character of life insurance.
- (5) The absence of uniformity in legislation and court decisions.
- (6) The powers and duties of insurance commissioners summarized.

PART V.

Important Legal Phases of Life Insurance.

Chapter 30—Legal Interpretation of the Policy and Application.

- (1) General rules underlying court decisions affecting life insurance.
- (2) The interpretation of the application.
- (3) Warranties and representations:
 - (a) Definition of the two terms.
 - (b) Importance of warranties to the companies.
 - (c) Legislation concerning.
- (4) Legal interpretation of important policy provisions, such as the incontestable clause, suicide clause, etc.

Chapter 31—Insurable Interest.

- (1) Definition of.
- (2) Insurable interest of the insured in his own life.
- (3) Creditor's insurable interest.
- (4) Insurable interest arising out of surety.
- (5) Insurable interest arising out of ties of blood or marriage.
- (6) Insurable interest of the assignee.

Chapter 32—The Law Pertaining to the Beneficiary.

- (1) Vested interest of the beneficiary if the insured has not reserved the right to substitute at will.
- (2) Naming the beneficiary subject to the right of substitution at will on the part of the insured. Claims of creditors where the beneficiary has been thus named.
- (3) Effect of cessation of the beneficiary's insurable interest in the life of the insured prior to maturity of the contract.
- (4) Court law relative to the designation of the beneficiary.
- (5) Transmissibility of the beneficiary's interest.
- (6) State statutes protecting certain beneficiaries against creditors.
- (7) Rights of creditors to proceeds of policy in case of bankruptcy.
- (8) Attachment of the insured's or beneficiary's interest in a life insurance policy.
- (9) Effect of clause permitting the insurer to choose the beneficiary in certain cases.

Chapter 33—The Law of Agency.

- (1) Statutory regulations of life's insurance agents and brokers summarized.
- (2) Agents and brokers distinguished.
- (3) Matters in which the agent can bind the company.
- (4) Matters in which the acts of the agent do not bind the company.
- (5) Knowledge of the agent the knowledge of the company.

Chapter 34—Assignment of Policies.

- (1) Distinction between life and property insurance policies in this respect.
- (2) Policy restrictions upon the assignment of policies and the legal interpretation of such restrictions.
- (3) Assignment of the policy by the assignee—A policy of life insurance is not a negotiable instrument.

EDUCATION AND CONSERVATION MOVEMENT DEFINED.

Warren M. Horner, Chairman of the Committee, Tells How Movement Creates a Community of Interest Between the People, the Company and the Agent.

In this special issue of LIFE ASSOCIATION NEWS, devoted to the educational department of the education and conservation movement of the National Association of Life Underwriters, it is well to define briefly the nature and purpose of the National Association, of which the NEWS is the official organ, and what is meant by and embraced in the education and conservation movement.

The National Association of Life Underwriters is a national organization composed of local associations of life reserve life insurance agents of the country, and, like the American Bar Association and American Medical Society, a non-business organization devoted to the standardization and mutual uplift of its membership and to a broader and more intelligent service for its clientele.

At the annual meeting of the National Association of Life Underwriters, 1912, a resolution was introduced and adopted which created a Committee on Education and Conservation, which committee has now become a permanent bureau of education and conservation of the National Association.

One of the closing paragraphs of the original resolution reads as follows:

"RESOLVED, That the president of this association appoint a committee of five with power to confer with like committees of any other insurance bodies, to devise ways and means for greater publicity in life insurance, for some non-partisan campaign of advertising and conservation, and for a concerted movement to inaugurate a campaign of education through lectures or addresses and through general adoption of educational opportunities for the younger generation."

The committee at its first meeting, convened shortly after the convention of 1912, among several recommendations to the national body, stated the following:

"The committee further declares in favor of a concerted movement for establishing educational facilities in life insurance in the universities and colleges and public schools."

And at a subsequent meeting early in the year 1913 the committee urged the preparation of a text-book adequately framed to meet the situation, with the result that there has been written by Dr. S. S. Huebner, of the Wharton School of Finance of the University of Pennsylvania, a work which meets the approval of expert minds in the life insurance business and the indorsement of trained educators of the United States.

The name given to this committee or bureau is not one of mere selection only to create interest, but both the words "education" and "conservation" are selected with an idea to their true meaning, and the scope and purposes of the education and conservation movement are in keeping with the basic principle of the organization of which it has become a permanent part.

Too frequently the word "education" is identified with the crowding of ideas. Education, as applied here, means un-

understanding of a useful and practical nature for the public at large, including those engaged in the business of life insurance.

"Conservation," a word somewhat overlooked in recent years, is the only term which can be used to correctly signify the scope and purpose of this movement of the National Association of Life Underwriters to create a greater standardization of the business of life insurance and conserve the interests of the people or policyholders in bettering their condition in the matters of legislation, taxation, health conservation, undue lapsation, over-borrowing on policies, the selection of kind and amount of insurance and the many other important phases of the business where the public, owing to a lack of understanding, has been given poor service.

Those who have inaugurated the movement and worked unflinchingly for its permanent establishment have recognized that there must be eliminated completely from the idea the exploitation of insurance, and that it must be entirely a movement sincere and genuine in its purposes in order to be effective and lasting.

There is nothing in the education and conservation movement of the National Association of Life Underwriters which, if carried out, but will result in a marked improvement to policyholders in both service and actual saving in premium payments. Therefore any good to come to the insurance fraternity can only come as the result of an improvement to policyholders.

The movement is in very fact the creating of a legitimate community of interest between the people, the companies and the agents, which, it must be acknowledged, is a sane, laudable undertaking with regard to any world movement.

In behalf of the committee,

WARREN M. HORNER, Chairman.

HUGH W. WILLET,

President, National Association of Life Underwriters.

Acknowledgments.

Standard Insurance Directory of New England. A complete list of fire, marine, life, casualty and miscellaneous insurance companies doing business in New England, with the names and locations of their agents. Local boards and associations, and lists of brokers. 1914-1915 edition, published by Standard Publishing Co., 141 Milk St., Boston, Mass.

Minutes of the Proceedings of the Ninth Annual Meeting of the Medical Session of the American Life Convention held October 7, 1914, at Dallas, Tex.

Directory of insurance companies, agents and brokers, authorized to transact business in the State of Maine, as recorded in the Insurance Department. October 1, 1914.

Nelson Chesman & Co. Newspaper Rate Book, including a catalogue of newspapers and periodicals in the United States, Canada, Cuba, Porto Rico, Philippine Islands and Hawaiian Islands. Published by Nelson Chesman & Co., main office 1127 Pine St., St. Louis, Mo.

Conditions Never So Favorable.

The present generation of life insurance salesmen has never worked under such favorable conditions for the serious minded selling of life insurance as they are working under to-day, and no stronger arguments for insurance in sound legal reserve life insurance companies could have been thought out than those which are now actually confronting our people. For those who are willing to see, incidents are occurring every day which prove how well legal reserve life insurance protects the living policyholder as well as those whom he leaves behind. The protection afforded by legal life insurance policies is needed more to-day by our American business men and heads of families than ever before in our experience, and it is the duty of every good life insurance underwriter to bring this need before our people in such a way that they shall be induced to provide against it, even though the premiums are paid at a considerable personal sacrifice by the man who pays them.—R. W. Stevens.

PROMINENT EDUCATORS GIVE VIEWS ON LIFE INSURANCE EDUCATION.

Frederick W. Roman, Professor of Economics, Syracuse University; J. T. Holdsworth, Dean of the School of Economics, University of Pittsburgh, and Former National President Charles W. Scovel Enthusiastically Commend Educational Courses and Text-Book.

For the last two years lectures have been given at the university on the topic of life insurance. The program was made possible through the generosity and educational campaign of the local Life Underwriters' Association of Syracuse.

Such interest has been awakened, until now the university on its own account has instituted a regular course in the subject. The course has been elected by a large number of young men. Some of them expect to take up life insurance as a business; however, the greater part of the class have entered upon the course as a suitable means of becoming acquainted with life's coming problems. There is a growing feeling that every individual needs some form of life insurance. A knowledge of the subject is becoming to be felt as a necessity.

The students in the life insurance course receive their credit hours the same as in all other courses in economics.

We are looking forward to the forthcoming text-book by S. S. Huebner on the subject.

The extended outline of that book has so impressed itself upon us that we have already decided to use it as the text for our course.

Professor Huebner's book is really original in the broad view that is taken of the subject of life insurance.

In times past life insurance has been looked upon as a materialistic subject. Now it appears that a more careful survey shows clearly that the social side of insurance is even more important. Professor Huebner establishes quite clearly that life insurance is a producer of wealth, a means of promoting not only the material efficiency, but also the moral capabilities of society. These are new and striking views, but the argument upon which the opinions rest seem thoroughly sound.

In former times the life insurance agent was tolerated in society. The author in the new work makes it a clear and reasonable proposition that life insurance should be urged upon society by minister, charity worker and every well-wisher of the State. These are such buoyant and refreshing views that students are sure to be fascinated by them. The book is certain to win high favor, because it has touched a sympathetic life cord. It is a true expression of the latest thought on our social evolution. Man learns his duty to himself and to society and, above all, to the world process through this new view of life insurance.

FREDERICK W. ROMAN,
Prof. of Economics,
Syracuse University.

Charles W. Scovel, of the Northwestern Mutual Life Insurance Company, who was chosen by the Pittsburgh Life Underwriters' Association to deliver the public lectures on Life Insurance this year in the joint course given by the Evening School of Economics, University of Pittsburgh, and the Life Underwriters' Association, has suggested that I send you a brief statement regarding our attitude toward instruction in life insurance and your general educational program.

It is a very great pleasure for me to express my deep interest in and my hearty approval of every facility looking to the education of our people as to the necessity of life insurance. I am sure that among the movements making for thrift and economy which are in operation or are contemplated none is of more value than life insurance. Furthermore, I am convinced that with the colossal destruction of capital now going on in Europe, which, in my judgment,

must inevitably tend to a further temporary increase in the cost of living, there is more than ever a need to practise thrift and economy, in which, as I have said, life insurance is so important an element. Both from the standpoint of the public and of students who contemplate entering this profession (I feel it can be confidently said that insurance has reached the dignity of a profession) we have here in the School of Economics considered it necessary to include in our business courses a full year's course in life insurance in the regular day School of Economics, and though as yet we are able to give only a half-year to it in the Evening School of Economics, I have no doubt that we shall ultimately extend it to a full year. We believe that we have this year worked out a very satisfactory co-ordination between the School of Economics and associated insurance agencies under which a representative of the local underwriters' association gives substantially one-half of the evening course. These alternate lectures, given every two weeks, are open to the public and the effort is made to give them as wide publicity as possible. We took the attitude that the spreading of the gospel of life insurance was so important an educational duty that we should open these lectures to the public that it might thereby be fully informed as to the necessity of the benefits of life insurance.

As to the methods of insurance education other than formal instruction in universities, academies and even high schools, it seems to me that certain other agencies have not been fully utilized in the spread of insurance principles. The newspapers should be employed more largely as organs through which insurance principles, methods and advantages may be advanced. Why should there not be one Sunday set aside each year as "Life Conservation Day," on which every pulpit in the land shall have a plain, reverent talk, preferably by a life insurance official, upon the importance of life insurance and the duty resting upon parents and others to take care of those who will survive them? Above all, why are the moving pictures not more largely used in this propaganda? I believe that it is true that the moving pictures to-day speak with greater eloquence to more people in America than any other single agency.

I have already carried this letter to greater length than I had intended, but I feel constrained in closing to urge that life insurance shall be regarded as a profession into which agents enter only after careful training and assured fitness. The life insurance agent is called upon to-day to advise a great variety of people upon the best forms of investment for the future. To perform this function properly these agents must not only know the technique of this profession, but they must be as broadly trained as those who enter other professions.

I note the proposed scope of the text-book on "Life Insurance, Its Principles and Practices," by Dr. S. S. Huebner, of the University of Pennsylvania. I believe this covers the field satisfactorily for text-book purposes, and I am sure that Dr. Huebner will produce a book of high excellence.

Assuring you that we shall always be glad to co-operate in every way possible with you and every other agency that looks to the promotion of insurance education, I am,

Sincerely yours,

J. T. HOLDSWORTH,

Dean of the School of Economics,
University of Pittsburgh.

Two things I can say from personal knowledge: First, the time is ripe to spread broadcast the story of life insurance, the institution—what is it, and whose; what is does, and how. Ripe, because the people are ready to hear. Within a year I have seen a score of gatherings—college men, co-eds, business men, club women, company officers, agents—all listening with shining eyes for an hour or more to that plain, unvarnished human-interest story.

Second, there is dire need for just such a text-book as Dr. Heubner has outlined and which he is just the man to write. Plenty of good books are treatises for the actuary. Some fairly good ones for the agent—among the ruck of

flimsy "talking points" and partisan claims. But for the intelligent public, for the inquiring student, precious little has been even attempted. How little, only those know who have been trying to find it.

Life insurance has seemingly thought no outsider could ever want anything of hers but a policy. Her sister sciences have ever been proud to array their choicest lore in fit, informing fashion for the lay reader's eye.

In bringing forth Dr. Huebner's book for students the National Association starts wisely to meet the most fundamental need. As the campaign goes on and interest spreads there will be readers ready for articles in the newspapers, reviews and popular periodicals for volumes, thin or thick—in short, for the life insurance literature that should have been here long ago.

To help bring this about will be not the least among the results of the many-sided education and conservation movement.

CHARLES W. SCOVEL.

Let "No" Fire You.

Expect "no" and be so well prepared to change it to "yes" that it hasn't one bit of terror for you!

"No" is used simply as a foil by most people to hold you off while they think about your proposition. And how they finally decide depends upon how grand a rally of arguments you make after you've heard that "no."

Very weak, very incompetent is the life insurance agent who lets anybody's "no" do other than make him trot out his grandest, strongest line of newest talk, use the utmost of his most persuasive skill!

How often do you say "no" to little and big propositions, then remark to yourself, "If he'd dug in harder, more skillfully, on me, he might of got me"—which means he would have got you!

The one and only effect on you of a prospect's "no" should be to fire you into a great blaze of power, winning power.

If a life insurance agent gives up even half the times he gets "no" from a prospect he will mighty soon find himself a flat failure!—*The International Lifeman*.

"THE TAXATION OF LIFE INSURANCE POLICY-HOLDERS."

A Booklet of Twenty-four Pages Dealing with
America's Great Burden on Thrift
and Providence.

By EDWARD A. WOODS,
Vice-President The National Association of
Life Underwriters.

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at the rate of 3 cents the copy, with a
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OFFICIAL NOTICE

TO LOCAL ASSOCIATIONS:—

In order to shorten this communication, you are requested, in presenting it to your meetings, to read in conjunction therewith the report of the Education and Conservation Committee, as adopted by the Executive Council at its meeting in New York Dec. 12.

At the meeting of the Council at Pittsburgh, Oct. 6, the Council formally adopted the trade-mark, "The Greatest Thing in the World," and also the copy for local newspaper advertisements as presented at the Cincinnati Convention. This copy local associations are now authorized to use where they have made contributions to the National Fund. More copy is prepared and in process of preparation for the same purpose, and when approved will be forwarded to the local associations.

Mr. Ensign, as acting secretary of the Education and Conservation Committee, will have prepared half-tones of the trade-mark for the use of local associations where they do not desire special sizes.

Various questions are being put to the committee with regard to the use of the trade-mark. It is the judgment of the committee that the trade-mark be used upon the cards, stationery or literature of those entitled to the use thereof, or to be worn as a button, if so desired. If any number of requests are made for the trade-mark in the form of a button, the National Association will prepare a suitable one to be sent free to the local associations.

The committee counsels against the use of the trade-mark by individual agents or agencies in partisan advertising for the present at points where there are local institutional campaigns or possibility of starting them. It will create dissension and dissatisfaction, and it is unethical for any one individual to rush into print in view of the purposes back of the whole movement. Furthermore, partisan advertising will be far more effective after the institutional campaign has been absorbed by the business public.

The use of the trade-mark, and the retention thereof when once issued to an individual, will be defined more specifically in a later communication.

The committee, in view of the many situations to be met, and because of the lateness in the time of the year when definite plans were made, have purposely merged the contributions of 1914 and 1915 into one year, and deferred the general authorization of copy as given herein until the present time. This makes only one contribution, where, otherwise, there would have been two, and focuses a general starting of local campaigns, and the more systematic carrying out of the entire plans of the Education and Conservation movement, with the beginning of 1915.

Those associations, or members thereof, who did not take a copy home with them from Cincinnati, can obtain the sheets upon which are printed the ten different advertisements already accepted from Acting Secretary Ensign, to whom all questions for the future should be addressed, other than where information of a very special nature is desired direct from the committee.

It is the earnest hope of the committee that officers and members of local associations will inform themselves thoroughly as to the scope and purposes of the Education and Conservation movement, in its inception and development to date, that there may be no abatement of interest and enthusiasm in carrying out and making more permanent this great work in its many ramifications. It is also urged that they keep before the officers of their companies the plans and accomplishments of the Education and Conservation movement that the work may be carried out to its maximum with the aid of both the moral and financial support of the companies.

Attention is called to the fact that subscriptions to the Education and Conservation Fund are due and payable in two equal instalments on the 15th of January and July respectively. Those associations which have already made definite pledges, or others which desire to lend their financial support to the movement, are requested to forward remittance for the first instalment by the 15th inst. to Mr. H. Wibirt Spence, treasurer, Penobscot Bldg., Detroit, Mich.

Respectfully submitted,

W. M. HORNER, Chairman.

Read and approved,
HUGH M. WILLET, President.

AUGUST 12, 1915, TO BE KNOWN AS "NATIONAL ASSOCIATION OF LIFE UNDERWRITERS' DAY."

Charles C. Moore, President of the Panama-Pacific International Exposition, Makes This Announcement to Commissioner William L. Hathaway.

William L. Hathaway, Commissioner for the World's Insurance Congress Events of the Panama-Pacific International Exposition, has just advised National President Hugh M. Willet that Charles C. Moore, president of the exposition, has, through the directors and chief of special events, caused to be set aside Aug. 12 as "National Association of Life Underwriters' Day." This announcement will be made in the official programs now being prepared, and in all announcements going out to the world regarding the exposition, that day will be so designated. This is one of the many recognitions extended to insurance by this exposition never before granted by a national or an international undertaking. Doubtless it will have an influence on the public's attitude and understanding of the part that insurance plays in the advancement and happiness of mankind.

Mr. Hathaway has been endeavoring to accomplish this end for several months past, and in view of the circumstances, the Twenty-Sixth Annual Convention of the National Association will be held throughout the world as one of the big events of the world's greatest exposition. All this carries with it the thought that life underwriters throughout the country have an obligation to perform in making the 1915 convention one that will justify, in the public mind, the recognition that has been granted it.

Never Be a Grouch.

I find if a man turns you down to-day, even though that turn down may seem very positive, that it does not follow that you cannot write him. In several instances during the past year I have written these same men later on and that with comparative ease. The main thing is to leave your prospective applicant in a good frame of mind when you get through with him for that particular interview. Never be a grouch. A most important thing is always to be square with your prospective candidate. Do not under any circumstances allow your man to think he is getting a higher grade of policy than he is paying for. I find in so many instances that a fellow is under the impression that he has bought an endowment policy when he has only bought a 20 pay or in some instances even a lower grade of policy than a 20 pay. This in most instances is a lack of the proper instructions from the man who is selling the policy. See what your man can afford and then sell him just as much insurance as he can pay for and the style of contract which more nearly meets his respective needs. The young men are the ones who should get into the band wagon and take out an adequate amount of insurance while the rate is so very much lower than if they wait until later on. Summing up the whole situation there really is no very good argument for a man not to take out insurance, while on the other hand so many facts warrant one in carrying insurance in a good reliable Old Line Company.—Henry C. Auer.

Pife Association News

A MONTHLY JOURNAL DEVOTED TO THE INTERESTS OF ALL
LIFE INSURANCE AGENTS.

PUBLISHED BY THE
NATIONAL ASSOCIATION OF LIFE UNDERWRITERS

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H. WIBIRT SPENCE, Treasurer,
306 Penobscot Building,
Detroit, Mich.

LEE C. ROBENS, Chairman Executive Committee,
Phoenix Bank Building,
Hartford, Conn.

ARTICLE II OF THE CONSTITUTION.

"The object of this association shall be to advance the best interests of the cause of true life insurance."

Address all communications to

EVERETT M. ENSIGN, Editor and Manager.

Telephone, 4244 John.

LIFE ASSOCIATION NEWS, 56 Pine Street, New York City.

This newspaper is owned by the National Association of Life Underwriters, unincorporated, a voluntary association; Hugh M. Willet, president, Fourth Nat. Bank Bldg., Atlanta, Ga.; J. Henry Johnson, secretary, Lee Bldg., Oklahoma City, Okla.; H. Wibirt Spence, treasurer, 306 Penobscot Bldg., Detroit, Mich.

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THE LOGICAL STARTING POINT.

In view of the wide-spread interest now manifested in the Education and Conservation propaganda of the National Association, it behooves us, for the moment, at least, to cease our theorizing and to consider a few practical points which demand our attention. Unquestionably the rank and file of the Life Insurance fraternity recognize the necessity of an understanding and appreciation of Life Insurance on the part of the public.

Here a problem of substantial importance arises. How best are we to convince our educators of the merits of our contention? What particular series of arguments will be most conducive to inaugurating courses of studies on Life Insurance in our various institutions of learning? Obviously, the simplest and the most logical.

First of all should come the facts which point to the conditions which exist because the average man and the average woman know practically nothing of the subject. Therefore, we must at the very outset, prove the necessity of Life Insurance. Let us see to it that educators are informed that the lives of the people of this country are indemnified by legal reserve Life Insurance only to the extent of about \$200 per capita; that but a comparatively short time ago the Potters Field of New York City claimed one of every seven persons, and that even now the ratio is one in every ten; that only 8 per cent. of the insurable value of men's lives in the United States is covered by Life Insurance. If reliable statistics fail, let the almshouses, and other charitable institutions speak for you; they tell a story ineffably sad; but utter a plea of powerful eloquence.

The Education and Conservation movement is not a shrewd scheme intended simply for the benefit of Life Insurance solicitors; it is a propaganda of Economic Reform.

And let us bear in mind that all great constructive reforms are best brought about by educational methods. Take, for instance, the Suffrage movement, which was looked upon with derision a few years ago, and which now gives every indication of early success. The tactics adopted by the women of America were purely educational, in contradistinction to the militant attitude of the women in England. The fact that a majority of the members of the House of Representatives at Washington recently voted in favor of a prohibition amendment to the Federal Constitution is another instance where purely educational methods have produced results. Coercive measures, in both of these movements, would have aroused such antagonism as to seriously militate against the consummation of the objects in view.

The text-book on Life Insurance, now being compiled by the National Association, with Dr. S. S.

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WANTED—A profit sharing Resident General Agent in one of my offices. Must have had experience along both managerial and salesmanship lines. References and record of work done must accompany application.

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uebner as editor-in-chief, puts at our command a ge gun capable of battering down the ramparts of position wherever it is encountered. But, fortunately, strenuous tactics need not be adopted, for in any cases it will be found that courses of study could have been established years ago, had there been suitable volume, equally adaptable to high schools and more advanced institutions, non-partisan and non-technical in character, comprehensive in scope, and withal conspicuous by its intelligence and logical arrangement.

Moreover, it is now possible to arrange for the study of Life Insurance where logically it should be first considered—in the high-schools. The high-schools of America are the vertebra of the country's educational backbone. Comparatively few graduates of high-schools ever attend higher institutions of learning. Students attending high-school have reached the age when their minds are perfectly capable of understanding the fundamental principles of the subject we are discussing; and, too, they have on the average, attained the age when their minds are most susceptible of impressions which eventually crystallize into habits of thought. Habits of thought inculcated in the minds of high-school students are directly responsible for the mental attitude of hundreds of thousands of men and women. Life in business, or life in the home, is, in its final analysis, the product of habits of thought. Train the high-school student Life-Insurance-wise, and the business man, and the wife and mother will think Life-Insurance-wise.

The United States Bureau of Education has ascertained that for the year of 1913, 1,283,009 pupils attended public and private high-schools. Surely this is a fertile field for development. It will actually mean the Life Insurance education, or at least an appreciation of the benefits of the institution, for three generations. The subjects studied by pupils in high-schools are almost invariably discussed by the parents, and naturally a father or a mother who understands the part Life Insurance plays will give excellent advice to the son or daughter. That is to

say, a threefold benefit accrues; to the pupil, the parents of the pupil, and the children of the pupil.

There is another phase of this matter which should be interesting to educators. There is no line of business which offers better opportunities to an ambitious young man than the solicitation of Life Insurance. With a knowledge of the fundamentals acquired in the high-school and with certain further preparation under the direction of a general agent, he would be qualified to engage in the business. Attention might be called to the fact that a compilation has been made of the average income, for five years, of Yale graduates of the class of 1906. We learn that the average income of all occupations for this five-year period was \$1,280.82, and that the average income for insurance agents for the same period was \$1,872.33.

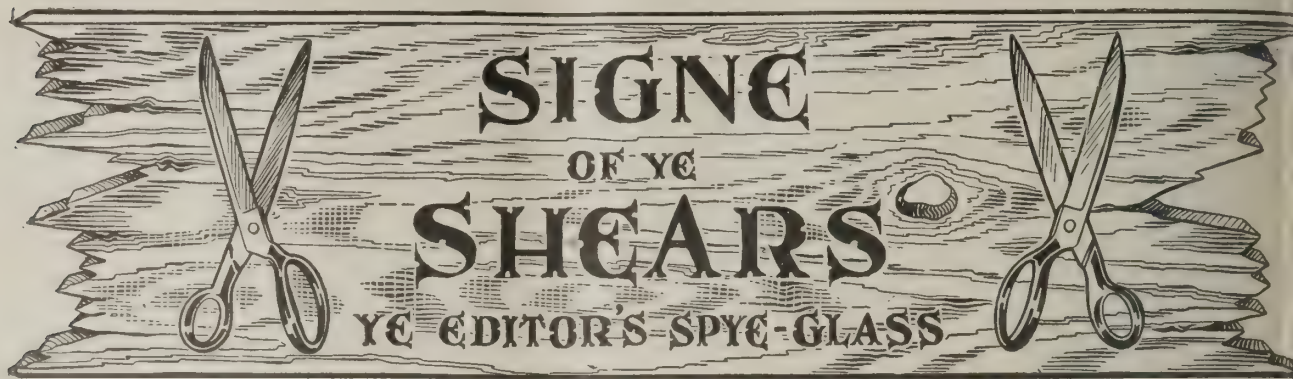
We are under the impression that there are statistics to prove that the number of young women who graduate from high-schools is greatly in excess of the number of young men who graduate from the same institutions. At the same time, it has been said that one great reason why more men are not insured is because of the objection on the part of wives. Here there is an opportunity to correct an unfortunate condition at its very source. While it is true, that the girl of seventeen or eighteen may not acquire knowledge of the technical intricacies of policy contracts—still, if she goes forth with an assurance that Life Insurance is not a swindle; that it is an economic necessity, concomitant to marital existence, one great obstacle in field work has been removed.

**KEEP THESE DATES IN
MIND**

**AUGUST 10, 11 and 12,
1915**

**The Twenty-sixth Annual Convention of
The National Association**

SAN FRANCISCO



We Should Worry.

There are occasions when one is forced to the conviction that the various associations, in connection with the management and solicitation of life insurance, sometimes assume the character of mutual admiration societies. We hear much about honesty, integrity, high planes of ethics and correct standards of procedure. There is the ubiquitous individual who, with sonorous tones and well rounded periods, delights to expatiate upon the noble and beneficent purposes which actuate those stalwarts of business honor whom he has the privilege to address. He is enthused, inspired and thrilled by simply looking into the faces of those who compose his audience.

This hand-shaking and back-slapping attitude of mutual satisfaction has its proper place. But it should never be permitted to obscure the necessity of actual warfare in the trenches, far removed from the enervating though fragrant vapors of platitudinous persiflage and pompous perorations. The business of life insurance, if it is ever to reach professional heights, requires analytical sincerity in discerning just where its weak points are located.

This was brought to our attention when we considered the reception and response incident to the promulgation of the resolution introduced by Charles Jerome Edwards at the Cincinnati convention. This resolution, it will be recalled, outlined four effective means of eliminating the unworthy agent from the ranks of the life insurance fraternity. In accordance with its provisions, copies of it were mailed to the Insurance Commissioners of the various States, the Presidents of the various life insurance companies, the Manager of the Life Insurance Presidents' Association, and the President of the American Life Convention. This action carried with it the request that these individuals and associations co-operate with the National Association in effecting the reforms suggested.

The responses received by the Corresponding Secretary of the National Association could hardly be called gratifying; and in all fairness, this is the reason for our pessimistic attitude. Here are the facts: Only four old line companies even acknowledged the receipt of the resolution. Ten companies which are members of the American Life Convention confessed that the service of the United States mails was still efficient and ten insurance commissioners were recorded among the living. The Vice-President of a prominent New England company offers some comment which is worthy of serious consideration. He states in part

A few of the Insurance Commissioners care; a few company officers care; a few General Agents care, but outside these few many of the Insurance Commissioners have other things to think about; many of the company officers are content to leave the question of the quality of sub-agents in the hands of their General Agents just so long as they seem to be getting an adequate volume of business each month from their General Agencies; and many of the General Agents do not seem to be interested in whom they employ, provided the man "gets results."

You have called attention to a situation which vitally

affects the insurance business. Until the situation is improved, the many engaged in life underwriting will not hold the position they should hold in the esteem of the public. Until it is improved the lapse rate will be heavier than it should be, and in all sections of the country the good will of business men, farmers and others toward life insurance will be alienated because of misrepresentations of the unworthy. Until the situation is improved the companies will experience a heavier mortality than they would if they insisted that their representatives were upright men who followed clean methods.

You have touched in your comments and your resolutions a vital matter. If you cannot see much accomplished, still you have planted in every State and in every home office and in the minds of hundreds of General Agents seeds some of which will sprout and bear fruit. It may take time; it may take years to bring home to the men responsible for the present situation the consciousness which you possess that it is one which should be improved. The fault does not lie with Insurance Commissioners—they can help if they will, and many of them are helping. That you have emphasized the situation to the others will do good. The fault does lie more or less with company officials who have not taken the precautions they should take to see that the sub-agents employed in their General Agencies were worthy men. We can only hope that the company officials who have been indifferent will gradually become educated to a sounder view. One company with which I am familiar does not allow any sub-agent to enter its employ unless he is bonded by a bonding company in the sum of \$500. The point here is not the protection which the bond gives, but the value of the inspection of the agent which is made as the result of its application for a bond. You know the bonding companies look up a man pretty carefully before they bond him, and if they will bond a sub-agent, the company can fairly assume that he passes sound inspection and is all right. If they won't bond him, the company ought not to employ the man.

A great deal of the fault lies with the General Agents—men whom you and I both know; who personally follow decent standards and who mean well, and yet will employ any Tom, Dick or Harry without much inquiry as to his character or methods, provided they think he will do a little business.

Much of the reform, if it comes, must be through the education of general agents until they realize that their own best interests and the best interests of the business will be served by their refusing to make contracts without fully looking up the men seeking employment, and eliminating the unworthy.

Something more can possibly be accomplished at this time through your taking the matter up with the Presidents' Association and the American Life Convention. The subject of what can be done to improve agency standards is one which it seems to me might very properly be discussed, say at the annual meeting of the Presidents' As-

sociation a year hence. It is a topic which could properly be discussed at the next annual meeting of the American Life Convention. If the managers of those organizations could be induced to put the topic down for discussion, I am sure we could "start something." I was thinking the other day that if I had been given an opportunity such as was afforded another man recently to address the American Life Convention, I would have put the time in dealing with some of these very practical matters, which are going to affect the upbuilding and financial welfare of the new companies of the West and South.

I believe the question is one the proper solution of which is going to materially affect the welfare of the business throughout the United States, and I think if there is anything we can possibly do to keep the question stirred up until settled, we should do it.

A vice-president of another New England company has this to say:

It can be said in all frankness on behalf of this company that we have for many years pursued the policy of dismissing from our service every man who was found to be unworthy to represent its interests and those of its members in an honest and conscientious manner, and therefore the co-operation of this company along the lines indicated by the association will be given cheerfully and may be depended upon.

However, it is in order to say that *it has been very discouraging at times to have other good companies immediately employ men dismissed from our service without making the slightest effort to ascertain the reason therefor, or anything in connection with his previous conduct, and this practise still prevails among some of the companies whose officials are personal friends.*

The association can render no better service to policyholders and companies alike than to place its stamp of approval upon the good men, and its condemnation upon those not entitled to its confidence and consideration.

The communication which follows was received from the secretary of one of the younger companies. While his comment is along the same lines as quoted above, his opinions are supported by an example which serves to show that there is ample opportunity for an improvement of agency conditions.

Your communication of October 26th, enclosing resolution adopted at the last meeting of the association, together with the remarks of Chas. Jerome Edwards has been received.

We wish the association to know that this company is thoroughly and heartily in favor of the remarks of Mr. Edwards. *When we cease to employ the crooked and unworthy agent we will minimize the danger of injury to the public to a great extent and we can then turn to the improvement among the men now in the insurance business.*

This company pursues just such a policy as it suggested with relation to new agents, making a thorough investigation of each applicant before contract is made. By this method we have lost considerable business, but if we cannot grow and increase our insurance in force by pursuing such a method we prefer to give up the fight. Within the last few months I refused to make a contract with an agent whose previous record I found to be very unfavorable. That same agent, within twenty-four hours, secured employment in another life insurance office in the same building with ourselves and produced between \$100,000 and \$150,000 of business within a short time. This business was lost to us because of our position on the agency question. We have the courage to continue this position, but the fact that such agents can immediately secure employment is a temptation to the general agent to hire agents who can produce business, irrespective of their moral character and integrity.

This resolution *can never be carried out unless it has the unanimous support*—first and most important, of the *commissioners* of the various States, who will refuse to grant licenses to agents whose reputations are at all under criticism. Second, of the *life insurance companies themselves*

by refusing to accept business from agents whom they know to be unworthy of confidence. These two factors are far more important in the uplift of life insurance than the general agents can ever be. *Undoubtedly this plan must ultimately receive the co-operation of the general agents*, but it must begin with those in authority, namely the insurance commissioners and the companies themselves.

Standardizing the Agent.

To hold a high standard before the agent, and ultimately to bring all agents up to it, is a main purpose of all association activity, and particularly of the great education and conservation campaign. The same problem is a live one just now among the music teachers, whose annual convention was held at Pittsburgh during holiday week. The following extracts from the very able address of Waldo S. Pratt, of Hartford, are worth pondering by all association men in this connection:

We are not in position to call for the use of standards by others unless each of us in his own special line of work is willing and able to fix reasonable standards for himself.

All of us need more definite thinking as to just what we are trying to accomplish and less about just how we are working.

The moment we sit down soberly to draft an exact plan we encounter the difficulty that hardly any branch of music teaching is well organized without itself—that is, in the minds of its own representatives. There is much excellent thinking as well as noble purpose, but the subject has not been thought through systematically. This sounds severe, of course, but is it not true?

Frankly, I doubt whether the time is ripe for comprehensive schemes that shall apply to all kinds of music teaching everywhere. The great thing to be desired is that each group and sub-group of workers shall keep wrestling with its own problems, applying the results only so fast as they become definite and solid enough to command universal respect from all reasonable observers. * * *

Are we not wrong if we imagine that the best results are to be secured by any legal or legislative method whatever, however well devised or however admirably administered? It is always a fallacy to think that important steps in social progress are to be forced upon the community by law. Laws are never constructive agencies. They are rather formal ratifications of convictions and rules of conduct that have become established in community-consciousness by more irregular or indefinite processes. They are never worth while unless back of them lies accumulated community impulse. Laws are valuable in codifying and regulating what has attained some maturity. But they are usually powerless to create. * * *

In concluding his talk Mr. Pratt said:

I believe that we can leave much to future discovery. The important thing is that the steps to be taken at once should frankly utilize effective agencies already operating instead of trying novel and hazardous experiments. Let us build on foundations already soundly laid.

Stimulating Attendance at Meetings of Local Associations.

There is a very simple way to increase attendance at the monthly meetings of local associations. Indeed, it is so simple that officers of local bodies are likely to pass over the suggestion without giving it a second thought. It is this: Discuss subjects of practical interest to the members; take up one or more problems which the solicitor will probably encounter daily. See to it that the members are given an opportunity to give their personal experiences on the subject selected.

According to H. M. Taylor, of C. B. & H. M. Taylor, general agents of the Northwestern Mutual at Wheeling, W. Va., the adoption of this idea was the means of resuscitating the

Agency Supervisor Wanted

A large, well-established and well-organized General Agency of an old New England Company, which now produces \$2,000,000 of business per annum and has a splendid agency organization, has an opening for a young man to act in the above capacity in New York, Vermont and New Hampshire, to secure additional agents, work with them and train them as producers. For the right man, who is ambitious and desires a good future, an unusual opportunity is presented. Only men of first-class antecedents, habits and record need apply. Address AGENCY SUPERVISOR, care of Life Association News.

West Virginia association. Prior to its last meeting this association, according to Mr. Taylor, had been a "dead one." Mr. Taylor tells about this plan in the following letter:

It occurred to me that it might be of interest to you to know something about the progress being made by the West Virginia Life Underwriters' Association, and I am enclosing copy of program and letter which was mailed with the program, also a personal letter which I, as chairman of the committee to arrange for our last meeting, wrote each member. The personal letter was mailed so as to reach the member the day before the meeting.

The principal reason I am sending you copy of the program and a report of this meeting is to give you an idea of what can be accomplished in association work by discussing at meetings practical subjects from which the men in the field can get something which they can use with a prospect, and I thought you might want to pass this along to some of the other associations as a suggestion for future meetings. The West Virginia Life Underwriters' Association has been practically a "dead one" since its organization. We have been having in attendance between six and eight members; in fact, very seldom over a dozen, and there has been very little interest manifested by the majority of insurance men in this community. We have been having at our meetings imported talent to speak when we could get a speaker or two, and we would have some of our local talent make talks, but our observation has been that the agents get very little from these talks which they can use in the field, and this is the thing they are all looking for; and if they go and hear a talk on something they have heard over and over again you practically have to drive them to the meetings; but if you will discuss practical subjects they will be anxious to attend, and your meetings will be large and enthusiastic. I have advocated meetings of this character for some time and was appointed chairman of the committee for our last meeting and thought I would try it out, and I believe that you will agree with me that the result of the meeting as reported by the enclosed newspaper clipping was most encouraging, and we plan to have future meetings of this character.

I am one of the enthusiastic association men of this section and am always on the lookout for something which will enable me to put something into the association. If at any time you can make any suggestions to us relative to our meetings we shall greatly appreciate it. At this meeting, just before the close, I made a talk on the benefits of association work, and we had applications from 12 for membership. In order to get each man interested we had an envelope addressed to the secretary containing a small plain, card card, 3x5, and before the meeting closed these were passed to each member, with the request that they write on the card some subject that they would like to hear discussed, and mail to the secretary, and the

future committees can apply to the secretary for these cards and in this way they will be able to have topics discussed in which they are all directly interested. By doing this you put it up to the men themselves to make the meetings a success, and if they have requested any particular subject to be discussed, of course, they feel an interest in going to hear it.

New Measures Against Twisting.

It can truthfully be said that the gentle art of twisting is not as popular at the present time as it was in days gone by. Indeed, there is a noticeable diminution of cases of this character. The local associations of life underwriters have been constantly on the alert to secure the enactment of laws which tend to make the circuitous methods of twisters amenable to punishment.

Just recently Price Russell, superintendent of the Ohio Insurance Department, sent to Senator Herman Fellingner, a prominent member of the Cleveland association, a bill recommended by him for discussion in the General Assembly. This bill is intended to stamp out the practice of twisting, and its violation carries with it both fines and imprisonment. The first section of the measure reads as follows:

No insurance company, association or society or any officer, director, agent, broker or solicitor thereto shall circulate or issue, or cause or permit to be issued, circulated or used any written or oral statement or circular misrepresenting the terms of any policy issued or to be issued by an insurance company, or misrepresenting the benefits or privileges promised under such policy or estimating future dividends payable under such policy.

It is further provided that no company or agent shall make any misrepresentation or incomplete comparison, oral or written or otherwise, to any person insured in any company for the purpose of inducing or tending to induce such person to take out a policy of insurance, or for the purpose of inducing or tending to induce a policyholder in any company to lapse, forfeit or surrender his insurance therein in order to take out a policy in another company.

At the recent convention of Insurance Commissioners in New York, a resolution was passed which will also be instrumental in confining the operations of these pirates of the business. Commissioner McMaster, of South Carolina, who was secretary of the recent convention of Insurance Commissioners, has sent out a copy of the resolution, requesting the co-operation of all companies. This resolution follows:

Whereas, The twisting in life insurance is generally condemned as being contrary to the interests of the policyholders affected and the companies, and yet offers a temptation to unscrupulous agents and deputies which leads to great injuries to policyholders and to certificate holders, and the laws prohibiting such practise are dif-

fault of enforcement and it is believed that the co-operation of policyholders and certificate holders and the companies and societies for the correction of this evil can be secured in a large degree by having the fact brought out in each particular instance, enabling supervising departments to hold the officials of companies and societies more directly responsible for proper conduct of agents and deputies:

Resolved, That every application for life insurance made to any insurance company, association or fraternal society shall contain a statement that "the applicant, for the purpose of taking the insurance applied for, has not terminated, and does not intend to terminate any other life insurance, except (insert exceptions, if any); and that the agent or deputy soliciting the insurance shall certify on each application that the statements therein made are true to the best of his knowledge and belief.

Failure and Success.

Genius, the power that dazzles mortal eyes,
Is oft perseverance in disguise;
Continuous effort is itself, implies, in spite
Of countless falls, the power to rise.
'Twixt failure and success, the point so fine,
Men sometimes know not when they touch the line.
As the tide goes clear out, it comes again clear in,
In business 'tis the wisest men who win.
And oh, how often when shades of doubt dismay,
With little more persistence, courage, vim,
Success will dawn o'er fortune's cloudy rim.
Then take this honey from the bitterest cup—
There is no failure save in giving up.
No real falls, so long as one still tries,
For seeming setbacks make the strong man wise.
There is no defeat, in fact, save from within,
Unless you're beaten there, you're sure to win.

—Author Unknown.

Agent's Part in Selecting Risks.

The agent should have a clear conception of what constitutes a good insurance risk. Much valuable time is very often wasted trying to write uninsurable cases. There is a great difference in declinations among agents. The agent who has been in the business long enough to learn those conditions which prevent an applicant from getting a life insurance policy has a low declination rate.

The agent should carefully ascertain the applicant's family history, also his personal history; his race, age and occupation, his habits, his financial condition, past and present condition of his health, injuries and deformities, whether he has changed climate or occupation for his health, and if he as ever been rejected for life insurance. The medical director must have a very definite knowledge of all these conditions before he can pass intelligently upon the risk.

The social standing of the applicant is important. The company does not take applicants engaged in dishonest callings or those under indictment or a cloud. Persons engaged in permanent employment are better risks in every way than those shifting about. Married people, as a rule, are better risks than single people—an exception to this rule is when there is a great disparity existing between the ages of the husband and wife.—Dr. W. W. Beckett, Medical Director, Pacific Mutual.

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MONTPELIER, VERMONT

ORGANIZED 1850.

PURELY MUTUAL.

JOSEPH A. DE BOER, *President.*

OSMAN D. CLARK, *Secretary.*

SIXTY-FIFTH ANNUAL STATEMENT, JANUARY 1, 1915.

ASSETS (Paid-for Basis)

U. S., State and Municipal Bonds.....	\$19,416,567.84
(At Market Value Dec. 31, 1914)	
Mortgages, First Liens.....	28,817,681.22
Policy Loans and Premium Notes.....	10,269,813.14
Real Estate, Book Value.....	235,000.00
Cash in Banks and Office.....	523,045.34
Interest and Rents due and accrued.....	1,404,784.96
Deferred and Unreported Premiums.....	\$40,393.22
Due from Agents.....	2,504.44

Total..... \$61,509,789.66

LIABILITIES (Paid-for Basis)

Insurance Reserves	\$46,283,755.00
Annuity Reserves	5,374,090.00
Extra Reserves	145,711.69
Trust Fund Reserves.....	251,610.00
Policy Claims under adjustment.....	113,649.21
Other Liabilities	103,947.67
Taxes payable in 1915.....	177,817.68
Dividends Due and Unpaid.....	60,930.11
Dividends payable in 1915.....	1,302,107.98
Deferred Surplus	4,534,812.02
General Surplus	3,161,358.30

Total..... \$61,509,789.66

In 1914 the new paid-for insurance equaled \$21,558,399, advancing total outstanding insurance on a paid-for basis to \$194,625,366, an increase of \$6,271,313. Total assets now equal \$61,509,789.66, an increase of \$2,561,899.94. Interest and rents actually received amounted to \$2,903,626.50, an increase of \$152,542.74. Premiums for insurance equaled \$6,581,077.19, an increase of \$198,470.94. Considerations for Life Annuities equaled \$640,203.71, an increase of \$141,429.18. Payments to policyholders amounted to \$6,174,181.46, an increase of \$959,831.50. Provision is made in liabilities for the payment to policyholders of dividends during 1915 of \$1,302,107.98, an increase of \$108,393.13. Increase in undistributed surplus over 1914, \$403,491.40.

PROGRESS IN THE LAST TWENTY-FIVE YEARS.

JAN. 1	INCOME	ASSETS	SURPLUS	INSURANCE IN FORCE	JAN. 1
1890	\$ 1,781,674	\$ 5,971,506	\$ 921,820	\$ 38,767,541	1890
1915	\$10,195,624	\$61,509,789	\$3,161,358	\$194,625,366	1915

WHAT ABOUT THE YEAR OF 1915?

REPORTS FROM ALL SECTIONS OF THE COUNTRY INDICATE A PROSPEROUS YEAR FOR AGGRESSIVE LIFE UNDERWRITERS.

Optimistic Responses From Prominent Members of Local Associations Give Accurate Forecast of Business Conditions.—Symposium Notably Encouraging—Not One Pessimist.

Practically all Europe is now engaged in the most desperate and horrible struggle in history, and one is led to think seriously as to whether or not our boasted civilization of the twentieth century lends support to the old adage, "The pen is mightier than the sword." In the United States we have as yet no reason to doubt the truth of this time-honored maxim. The pen—the fountain pen—in the hands of the life insurance agent is still the most powerful weapon of constructive and progressive civilization. Scraps of paper are not merely that in the United States, but that particular scrap of paper upon which is the dotted line represents a service which is positive, unfailing and always worth its face value.

War among the belligerent nations is to a great extent a long-distance war. The opposing forces are entrenched. Artillery fire is directed from scout balloons or aeroplanes by signal, and the range given to artillerymen by field telephone. There is little hand-to-hand conflict. This is in direct contrast to the methods employed in life insurance solicitation. To begin with, the intelligent agent does not look upon his prospects as an enemy. Warfare upon ramparts of foolish objections is not a battle of long distances. The agent meets his prospects face to face.

During the past year business conditions have apparently reached so low a level that there exists no man who wishes for their continuance. By reason of the fact that the life insurance men of the United States are in actual contact with business conditions, in fact, because the amount of business written is dependent, almost entirely, upon these conditions, life insurance men are exceptionally qualified to analyze the depression of the past year and to forecast that which is to be expected during 1915.

There were 18,000 commercial failures in 1914, with liabilities, exclusive of December, aggregating \$325,000,000. For life insurance the first half of the year was not particularly depressing. But apparently European conditions for the last six months of the year have had a most discouraging effect. One contemporary recently reported the 1914 business of 91 companies, and 43 companies fell below their record of 1913. There are, however, many isolated cases of agencies exceeding their records for 1913.

The daily press seems to be genuinely optimistic. Just recently Charles M. Schwab has made the statement that there are \$300,000,000 of contracts placed in this country from Europe, which must be completed before December, 1915. The excess of American exports over imports for December was approximately \$125,000,000. During 1914 American manufacturers turned out 515,000 motor vehicles, valued at \$485,000,000. The Pennsylvania Railroad has placed an order for 150,000 tons of steel rails, which is 18,000 tons more than it bought in 1914, while the New York Central is securing prices on 45,000 tons of rail. It is said that mining is in better shape than at any time during the last 10 years, and a positive amelioration of conditions will immediately follow the advance of freight rates recently granted by the Interstate Commerce Commission.

All this may be interesting, but let us consider conditions at close range. With this object in view we have requested leading life underwriters in various sections of the country to state their opinions as to the possibilities for this year. The replies to our requests constitute a most valuable symposium.

One should note that there has been no attempt to evade a true statement of affairs, and, too, that the general tone is decidedly optimistic.

William King, St. Louis, Mo.

The year 1914 seems to have brought about a period of readjustment which has been expected by economists since about 1912. At the time the European war broke out our own country was pretty thoroughly liquidated, and though for self-protection it was necessary to close our various exchange facts seem to indicate that the condition which existed in the country as a whole was more psychological than real, because as a matter of fact general business conditions actually improved to some extent, and this was reflected when, at the opening of the exchanges, prices ruled higher than at the close on July 31. In St. Louis we have always been known for conservatism, and therefore any shock would be less severe as a rule. But because of two striking factors general business conditions have been perhaps a little more depressed here than would ordinarily be the case.

Practically our entire wholesale trade is with the South and Southwest, and in that section which was hit hardest by the lack of facilities to export our great cotton crop. So, in the general wholesale lines, most of the salesmen were called in and many men laid off. This condition prevailed in dry goods especially, but extended to shoes and leather goods as well, causing the closing of several of our great shoe factories. Another important factor in the immediate depression was the failure of the railroads as buyers. Located in or adjacent to St. Louis are perhaps the greatest railroad supply houses in the country, and these have been practically shut down during the past year.

However, even in spite of this depression, which was really as above stated the greatest effect was really psychological. There were many men who needed life insurance more than ever, and many agents, taking advantage of this condition, succeeded not only in keeping up their quota for the year, but showing substantial increases. As a general rule our agents in St. Louis about held their own for the year.

For 1915 I can only state that I personally expect to produce the largest business I have ever written, and I believe the operation of the cotton pool, the new Federal Reserve act, the buying of the belligerent nations in our markets, which is already being felt, and the railroad rate increase, not only means a speedy restoration of normal conditions, but I firmly believe that by the close of 1915 we will be near the center of a boom period. I am frank to confess that I do not believe the general sentiment is as optimistic as my own, but from the facts at my disposal I cannot feel otherwise. And here, hoping that 1915 will be the greatest year in the history of life insurance.

Ira B. Mapes, Kansas City, Mo.

Conditions generally throughout the year 1914 were not favorable for the production of volume, in our business, as former years, 1912 especially. Most of the standard companies show small gains in the amount of business written. My agency wrote more business in 1914 than we did in 1913. I believe 1915 promises to be a good year for our business.

Life insurance and life insurance men are in better repute with the public than ever before. This is true for the reason that the business men of our country understand the value of protection and have an intelligent idea of the contracts now being written. Corporation and partnership insurance can now be sold in practically every large concern, and there is a golden opportunity for the agent of active, intelligent effort in this direction alone.

Income insurance is becoming more popular with the people. The average citizen of moderate income looks upon life insurance with more favor than ever before. The National Association of Life Underwriters has been doing good work. The local associations are also responsible for the favorable impression being established in their various localities by the work being done. I believe we should make it a point to secure and maintain strong public press notices of the work being accomplished, wherever possible.

I believe 1915 will prove to be a good year for life insurance men. Good crops and high prices will produce the money and make people prosperous. The need of life insurance is apparent, more so than ever.

Edward A. Woods, Pittsburgh, Pa.

It is always much more pleasant to be getting out of trouble than to be getting into it. I like to count the days until spring, because I am not fond of the winter.

We do not know when that end will come, but we know we are getting, every month, 30 days nearer the end of the war. A year ago we were really getting closer to it, even if we did not know it. Like a thunder shower, it will certainly clear the atmosphere. There is every indication that a war so terrible in its costs and results will be so exhausting to the entire world as to make a very strong sentiment against ever having another one—certainly not for some time to come, anyway. All the nations—those who “lick” and are “licked”—will likely have to recuperate for a while.

Life insurance companies again showed their supreme strength in such a crisis. Stock exchanges closed, many corporations almost ceased doing business, even the Standard Oil Co. for a while stopping buying oil. But there was not a single default, hardly a delay, in the conduct of life insurance.

The lessons to be drawn from the war as they apply to life insurance men, in addition to this further great test of our strength, are as follows:

First. This war, unless contrary to all history, will be followed by a business boom. We ought to use this two ways: (1) To be ready with an efficient agency force, to get the business we should when the boom arrives; and (2), to insure people because their death before this boom comes will deprive their business or their families or themselves of the earning they will make if they live to see it. For illustration, a man who died in 1865 never participated in the business revival that lasted from that time until the panic of 1873.

Second. It ought to be the aim, both of life insurance men and our policyholders, to so intrench themselves during the next period of business activity that they will be ready to meet the depression that will probably follow it.

Third. The war will unquestionably be followed by an intellectual and particularly a moral awakening, that cannot but help the life insurance business.

Fourth. Already the entire world is saving money. It began to save the day the war broke out. It will break the world away from the period of extravagance and lavish expenditure, with all its evil financial and moral results, and turn the attention of the entire world toward saving. There are already abundant indications of this. Life insurance is probably the greatest institution for the promotion of thrift there is, and should benefit by it.

Fifth. The world's rate of interest will probably be raised for years as a result of this war. The enormous amount of national debts, both already incurred and to be incurred, will maintain the rate of interest, and during the time the war prevails insurance companies, having funds, will be able not only to raise their rates on many current loans, but to make investments that for years to come will bring in large

additional revenue from the increased rates of interest.

Sixth. The Carnegie Steel Co. has always prospered because it had the courage, during business depression, to equip its plant in the best possible shape and be ready for the business boom when it came. They, therefore, were able to accept all orders when timid or poor competitors simply shut down and when business activity came were getting their plants ready instead of filling orders. It is a wise life insurance manager who will do the same thing—get ready for the period of business activity that is certainly coming at the end of the war. Besides, it is a good time to get agents. They are to be had now, more so than when everybody is profitably employed.

Ernest J. Clark, Baltimore, Md.

Responding to your inquiry relative to business conditions in Maryland during the past year and the outlook for 1915, with special reference to agency productivity, I find a distinct feeling of optimism prevailing among the general agencies in this territory on the question of new business production during the coming year. A number of our offices sustained a somewhat decreased production of new business last year compared with 1913. Their decreased business, however, was suffered in practically every instance during the late summer and fall months, indicating that it was entirely due to the financial and industrial disturbances that followed the declaration of the European war.

However, the reopening of our stock exchanges, the resumption of many manufacturing plants, thereby giving employment to thousands of men previously thrown out of employment, brighter financial prospects for the railroads, bumper crops during 1914 throughout the agricultural sections of the country not yet entirely marketed, with correspondingly high prices of grain and food products because of increased foreign demand, orders running into millions of dollars pouring into our American factories from the belligerent and other foreign countries, including a new and rapidly developing South American trade, are having their logical effect on both the present production of new life insurance and the 1915 outlook.

In my judgment there is no reason why any life insurance man in Maryland and the District of Columbia should not, at this, the beginning of a new year, be every inch an optimist.

Another strong advantage which the life insurance agencies enjoy in this section is the united front presented against those practices and influences which, in their earlier history, were so destructive to agency success and proper service to policyholders. The rounder, the rebater, the twister and incompetent agent have ceased to flourish and the tone of the entire profession has been greatly elevated in recent years, thanks to the revolutionary influences of the life underwriters movement.

Life insurance is now attracting to its field ranks the brightest and most promising young men from the universities and colleges of the country, many of whom are taking post-graduate or special courses in insurance and economics before engaging in the “best-paid hard work on earth.” All of this adds to the hopeful outlook for the future in agency productivity, not only in Maryland but throughout the United States.

J. S. Fabling, Denver, Colo.

While insurance conditions during the past year have not been the best ever in Colorado (the land of sunshine), still the production of most of the wide-awake agencies has been very satisfactory. A number of them have exceeded their previous year's record by a considerable margin, while a great many more have closed the year with a production equal to their record of last year. Those which have fallen behind are far in the minority.

Business conditions were unsettled in some lines, especially the coal mining industry, owing to a protracted strike, which has now been settled, and the outlook for 1915 is very promising.

Business in other lines has been encouraging. Never before have our farmers had such bountiful crops and prices have

been uniformly high. The live stock industry has been good and the Colorado stockman has been immune from the dread hoof and mouth disease so disastrous to the industry in the Middle West.

The beet sugar industry of this State is one of the most flourishing and gave excellent returns during the past year in spite of the removal of the tariff on this staple commodity. The outlook for the present year is that a much larger acreage than ever will be planted, which is very encouraging, as the beet grower has an established market, with an agreed price for his entire crop, no matter how bountiful Mother Earth has been to him.

Another source of wealth for Colorado and this entire mountain region is the mines. During the past decade no richer strikes have been made in the Colorado mines than during the closing months of 1914, some of which appear to be almost fabulous, and the mining industry in this State seems to be on the eve of a revival in which the interest will rival that of the early days when Leadville and Cripple Creek were names that were upon the tongue of every man of affairs in the nation.

Altogether the year 1915 looks very promising and the life underwriters of Colorado share with men in other walks of life a splendid optimism for an increased business in every line during the year.

Warren M. Horner, Minneapolis, Minn.

The life insurance agents of the country are on the threshold of a record-breaking year if they take advantage of conditions. Why?

The agricultural output of the country for the last fiscal year was approximately ten billions of dollars. I repeat, ten billions of dollars.

Life insurance agents are understanding better, with each succeeding year, that which they are doing, and the people are more and more appreciating the ramifying benefits of insurance.

But the pessimist will say, "We have an unprecedented war in Europe.

"A new tariff law has been enacted in this country, and other legislation the wisdom of which is yet to be proven.

"The country is afraid of the administration and the Democratic party."

Nothing but business cowardice or political tomfoolery can make general conditions bad in this country in 1915.

There is at the head of the nation one of the greatest men who has occupied this exalted station.

The difference between the present tariff on imports and the law it superseded has about as much to do with general business conditions as the economy or extravagance in the matter of postage of the average concern has to do with its profits.

I mean fundamentally, if pessimism and politics are kept out of actions and discussions.

The new banking law has already proven efficacious.

There is no other legislation enacted, or known to be contemplated, of serious import as affecting our commercial or industrial life.

From the standpoint of the life insurance agent, war visualizes death.

Discount rates are tumbling at the present moment, evidencing that money is easy.

Owing to conditions in the security market, millions and millions of money are deflected from the ordinary channels, which can be diverted to life insurance as an investment, old age protection, income protection and pure annuities.

Yes, business will be fine in the life insurance game in the year 1915 if the agents think about that ten billions of dollars produced last year by the agriculturist, the backbone of the country.

The life insurance business will be extra good if companies and agents work in a spirit of co-operation in spreading optimism, and in letting everyone with whom they come in contact feel that they understand and have faith in the economic conditions of the country.

Yes, it is possible to make business extraordinarily good in the year 1915, if all engaged in our vocation act as a mighty army in promoting a spirit of business confidence and national unity.

J. S. Drewry, Cincinnati, Ohio.

Cincinnati in 1915! The year starts with the unemployed receiving more consideration than ever before; organized charities bending every effort to make greater collection; city officials, with the co-operation of public-spirited men of affairs, establishing "bundle days" and urging every one who can to create work and divide it among those who are in great need. Why? "Business is bad!" Cincinnati leads the world in the manufacture and quality of machine tools. The railroads are not buying, and haven't to any extent since 1907. Domestic business in the past two or three months has not been 25 per cent. of normal. Foreign business was stopped by the war. Cincinnati produces more soap than any other city in the world, and the soap manufacturers have not been running to capacity. Cincinnati is the largest distributing center for whiskey in the world, and ranks third as a brewery center. The liquor interests are greatly depressed because of continued agitation. Cincinnati has a great market in the South, which has been materially affected by the lack of a market for cotton. A life insurance man who is looking for an excuse for not producing can readily convince himself that times are not "right." They are not right for those men, nor for agents who depend upon "buyers"; but the year 1915 offers far greater possibilities to the life insurance man who "sells" than has any past year.

Bad business doesn't keep people from having anything they particularly desire. One large house in Cincinnati found that its holiday trade was running far below normal. People were not buying! This house started to sell one particular article—a luxury, too!—featuring it in every way, and sold more than \$100,000 worth, bringing the entire sales above par!

A sale depends upon the mental attitude of the buyer. A small allotment of cotton recently consigned direct to Germany will stimulate the South, and, therefore, many Cincinnati merchants, because in that can be seen a rift in that particular cloud; machine tools necessary for the various European nations will take the place of the commercial foreign buyer to a large extent; railroads have their rate increased; iron men are feeling better, and so on in every business. A man who is recovering from an illness is far more buoyant than if he had never been sick!

Out of this general depression the life insurance salesman has found new and more powerful weapons for storming the trenches which a buyer builds around himself. Nineteen hundred and fifteen will be a splendid year for those underwriters who realize and appreciate that "as a man thinketh, so is he."

Neil D. Sills, Richmond, Va.

In Virginia the insurance business was good during the first seven months of 1914. Practically every agency was running considerably ahead of the year previous. With the announcement of the war came a slump, due mainly to two things. First, the majority of business people felt that they did not know what was going to happen and it was best for them to proceed as conservatively as possible in taking on new obligations. The second reason, and the one that I think had the most to do with the slump, was that the majority of the field men let up to a very great extent. They seemed to lose sight of the fact that there were lots of people who could be written. Taking the year as a whole, the majority of the agencies in Virginia equaled last year's record, and some showed an increase of 25 per cent. in paid-for business. Many borrowed on their policies, but premium collections were good.

The outlook for the new year is encouraging. The banks have loosened up, business conditions have improved, and a number of people with whom I have talked are beginning to feel that we are going to have a prosperous year. The field men are getting down to work in fine shape and are really

going out hard after business and are getting results. The fact is there is going to be lots of insurance written in every city and county this year and the man who goes after it good and hard will get his share. I really feel that the insurance men in Virginia have the opportunity to make this a record year.

J. W. Bishop, Chattanooga, Tenn.

I shall confine my remarks to this immediate section of the country, per your suggestion. This city is quite a manufacturing center, with diversified industries, so if there is no demand for any one or several of our products we are affected very little. As evidence of this several of our local agencies made substantial gains in business over last year or any previous year and the business apparently is of a more substantial class.

A great many business men bought insurance during the latter part of the year because of the depressed conditions, especially those involved, knowing that in case of their deaths their estates would have to be legally settled and there would naturally be a shrinkage in each instance because of present conditions. So when our agents presented these features conspicuously to the business prospects they could readily see the advantage of life insurance protection and bought it to cover this contingency.

Fortunately I am an optimist, as every life insurance man who expects to last long in the business should be; but, brushing aside all this and attempting the role of a pessimist, I can see nothing else ahead for the year 1915 but a good average year in nearly all lines of endeavor, and especially our particular line. Business for the new year has opened up well, and while I expect the first few months of this year to be rather dull comparatively, it is my opinion that the records for all companies should be exceedingly good for the full year.

We are just north and east of the cotton belt and are very slightly affected by the slow market in that product which is king in the greater part of the South. The cloud in that horizon, however, is beginning to pass away and business conditions throughout the South will soon resume their normal proportions.

J. Putnam Stevens, Portland, Me.

Answering your inquiry in relation to business conditions as they appear to me in the State of Maine, let me say there are two classes of people, the optimist and the pessimist. I think I belong to the first-named class, as in every one of the 28 years that I have been general agent for Maine for the Massachusetts Mutual I have expected at the beginning of the year to do a good business, and there have been very few years that I have been disappointed. The conditions in the past year from my standpoint have been very favorable for life insurance, especially among those who might be called investors, as nearly every investor in stocks and bonds, I think, has realized that in case of his death and the immediate need of funds there would be a large loss in securities that he might hold if they were put upon the market, and such men have bought life insurance to provide for such an emergency.

My experience has been that in years like the past more large policies can be sold than in times when money is flush. In looking at the records of my business I find that my three most successful years in the 28 I have been in 1893, 1907 and 1914. I am looking forward to a good business for 1915, but perhaps the class of business will be different from that done in 1914, as with the good times that are promised I believe more small policies can be sold than we have been able to sell during the past year. I can see one condition that perhaps may affect the business among a certain class, and that is, there may be quite a good many people—and, in fact, I know here will be from Maine—who will desire to attend the Panama-Pacific Exposition in San Francisco and their means will be such that they will not feel able to buy life insurance and also bear the expense of this trip. With the year no older than it is I have already run into one or two such cases; but notwithstanding this, I believe that every agent who devotes his time and gives the business intelligent thought will be

able to produce a good volume of business for the next year, as with my years of experience in the business I find that people are each and every year becoming more and better educated in the business of life insurance, and I trust I may live to see the day when the effort that is now being made to educate people will accomplish the results that are expected.

George W. Johnston, New York City.

The year 1915 should be a good one for really live insurance men. There are two sorts of years in which life insurance finds a ready market: one, when confidence is widespread, when everyone is making money, and when it is "easy come, easy go." In such good times nearly any life agent can write business.

But now we have a year which is the reverse of all this. Men are cautious and count their dollars. They either have little money, or they hold tight to what they have. They fear a long continuance of the war, and are in the dark as to what peace will bring when it does come. Instead of having surplus available for new life insurance, they are borrowing on their policies. They are full of talk about hard times. And so, upon the surface, the conditions seem most unfavorable, and many a life insurance man allows himself to be discouraged.

But it never was a good plan to engage in hard luck stories, and there is another side to the story. Let us read between the lines, let us calmly balance good and bad conditions, and look into the future. If we do, we shall see that there never was a better year for building up our clientele. Business men, as they are less rushed now, have more leisure to talk with us. If they cannot buy now they can be made to want life insurance, and all the more because they are unable to get it. This is seed time for a sure harvest hereafter.

This is not all. Insurance is being bought, as last fall's records show, and bought largely. In fact, it seems to me that life insurance never made its appeal more powerfully than in these very times. Few men will claim that if they died now their estates would not need insurance. Our great argument, protection, needs no debate, but is conceded. Every corporation which passes or reduces its dividends is proclaiming the instability which nowhere has such a contrast as in insurance. Stocks, bonds, real estate, all have fallen, but the life insurance companies are prospering and every policy is worth par, every obligation met on the minute and in full.

What better chance was ever afforded to insurance men who keep their wits and study how to turn obstacles into steppingstones?

A. R. Edmiston, Lincoln, Neb.

The outlook for the ensuing year from the life underwriters' standpoint is very favorable in Nebraska. Ours is an agricultural State and the farmer is selling his grain and produce at higher prices than have been realized for many years, and he is probably the most prosperous man in this country to-day.

It is true, however, that in the banking and certain mercantile lines conditions have not been so good, but I am optimistic enough to believe that by spring business in practically all lines will be normal. The bankers in this section have ample funds, with a gradually increasing demand for loans.

The year 1914 is gone and few of us regret its passing. Business in the last six months of the year slumped to some extent, though I think that on the whole the life underwriters in this State did a satisfactory business. There is no doubt that the Central West is the most fortunate section of the country at this time.

Frank D. Buser, Philadelphia, Pa.

Philadelphia, as one of the greatest manufacturing centers of the United States, naturally felt the depression of 1914 very keenly. Our business men are rapidly adjusting themselves to the changed conditions, and, except in a few lines, the expression has been unanimous that 1915 should show a remarkable increase in the volume of business to be done, and that there was real warrant for the hope of its continuance for a period of several years.

Orders for spring goods in the textile industries show a large increase over those of 1914. Conditions in the silk industry are such that the mills are working night and day. All kinds of knit goods show an appreciable increase in the volume of production. It is anticipated that following the close of the European war the iron and steel industry will be booming. Many of the European nations use locomotives built in Philadelphia and also products manufactured by the machine and tool works; the conditions will probably be such that these plants will have to work night and day in order to fill anticipated orders. General business conditions in Philadelphia are not bad. There has been but a slight increase in the number of failures and receiverships. The insurance companies of Philadelphia will show an almost normal condition. Several of the life insurance agencies show a considerable increase in business for 1914, and there are few agencies that are not almost equal to their production of 1913. Philadelphians as a whole are not discouraged with the outlook. On the contrary, we feel that in the course of a few months' time there can be no question of a very material and permanent increase in practically all lines of business.

Hubert H. Ward, Portland, Ore.

The year 1914 will take its place in history as being without a parallel in modern times, the nearest approach to it being the period of 100 years ago, when the Emperor Napoleon held the center of the world's stage.

Modern conditions of living have so changed things in general that probably the man does not live who can draw a parallel between these times and Napoleon's time and venture to predict how all this will end.

In my mind, we need not look for an early termination of this war—it is just as far from Paris to Berlin as it is from Berlin to Paris. Germany will not be defeated as England says she *must* be defeated until Berlin is devastated as is Belgium now. Will this be done? It takes men and money to wage war; will the nations of Europe be able to furnish both until a crushing defeat has been administered. If not, then a "draw" will be the result and the whole thing will have to be fought over again in a few years.

We enter the year 1915, in my judgment, not knowing what a day may bring forth. I say this not in the vein of a pessimist—I am an optimist—but from the viewpoint of showing the necessity for all of us Americans, in all walks of life, to keep our powder dry; to eliminate rampant speculation and hazard of all sorts; to reduce unnecessary expenses of living and to protect ourselves, our business, our homes and our nation.

We as a nation and as individuals have much to learn in times like these. Our President is trying to keep our Government in a position where it will be able to *dominate* but not *domineer*. If we try to *domineer* we will get into the war in a hurry. If we only seek to *dominate* we will in all probability have a chance never before presented to a nation—to be the final judge in the settlement of the war. Until that time comes chaos reigns—we know not what a day may bring forth.

The man who can *dominate* will keep a tight line on his affairs and will cover all unusual hazards to his business brought about by the war with extra lines of life insurance for both business and family.

The man who can only *domineer* must not be allowed to get the upper hand in times like these. Taking sides is a form of *domineering*; remaining neutral is a form of *dominating*. There is an American viewpoint in this war just as much as there is a German viewpoint or an Allies viewpoint. The American viewpoint calls for a higher code of business, of patriotism, of morals than the past few years have shown.

Have we not as a nation been somewhat *domineering*? Must we not learn now to *dominate*? To *domineer* is to destroy; to *dominate* is to upbuild, to protect. Life insurance upbuilds, protects, therefore life insurance in a large measure can *dominate* the situation in 1915 as no other business can do.

Messrs. Knights of the Rate Book, it is up to you and to me to *sell life insurance* in 1915, for that is *dominating*. It is further up to us to eliminate useless war talks, for that leads to *domineering*.

In conclusion, what was it that really started the war, a desire to *dominate* or a desire to *domineer*? The war will end when some neutral nation is strong enough to *dominate* the situation.

Lee C. Robens, Hartford, Conn.

The State of Connecticut, thrifty in manufacturing and aggressive agriculturally, justly welcomes the new year as the thoughts of her million of people reflect over actual business conditions, especially during the latter part of the year just ended.

Like a cloud the financial depression which became apparent in 1914 hovered over this State as over other States of the country, possessing a seeming power that slackened or completely silenced the wheels of industry everywhere and made more difficult the task of those engaged in farming pursuits. As a consequence the business of life insurance suffered. Louder and louder was raised the cry of hard times, until he was genuinely an optimist who could face the despairer imploringly to take out a policy of life insurance. This condition prevailed in the State several months, until recently when the cloud of depression seemed to lift a little through necessity.

Through it all a considerable volume of new business was written in Connecticut. The next difficult task was to collect the premiums on it. Many underwriters' collections were not up to standard, but who were otherwise satisfied with underwriting results.

Money became scarce, especially so when the stock market closed their doors, the cause of which every underwriter is more or less familiar with. This condition was reflected through increased applications for policy loans. That the requests for loans is now decreasing bespeaks in a way the return of confidence among those possessing wealth in the future business outlook. It may be weeks before this condition becomes generally felt, but in due course factories should again be running full time, and the farmers find it easier to market their wares.

Life insurance men can greatly assist in bringing this condition about through their daily contact with mankind. Optimism spreads optimism and costs nothing. It should become the chief asset of every underwriter, and those who possess optimism are bound to make 1915 their very best year.

Wilson Williams, New Orleans, La.

The business depression during 1914, due to various and well-known causes, was felt most keenly in Louisiana. Sugar and cotton, our principal products, were hit so hard by tariff legislation and the European war that trading in these commodities has been impossible for months. This condition necessarily affected all lines of business in New Orleans, for it prevented the usual liquidation of the planter's debts and put the brokers and operators practically out of business.

The "Buy a Bale of Cotton" movement, as was predicted by many, did not take up even the surplus crop of the year and has proven a detriment to the South by checking trading and commerce. It led planters who owe banks or merchants to withhold their crops from the market, feeling that in doing so the moral sentiment of the community would uphold their refusal to sell. This was particularly bad for business. Plantation sales been forced even on a declining market it would have induced big money to buy for speculation even on a long wait. This trading would have been of great benefit to all lines of business.

Despite the unfavorable business conditions that obtained life insurance has held its own in this State, and my agency production of new business shows an increase over the previous year. This results from effective arguments that in times of stress, when business profits are reduced or cut off the estate which every man hopes to create can more surely

(Continued on page 22.)

Greetings!

By **ROBERT J. MIX**, Manager, Prudential Insurance Company, New York City.



THIS MIGHTY DIFFICULT to write a letter appropriate to this occasion without indulging in "bromides," remarks which are practically nothing but the repetition of what one has said over and over again under these same conditions, but if you and I were to confine our conversation to that which was strictly new and original, we would do very little talking and, without conversation, the world would be a dreary place indeed!

Let me begin, then, by saying that what **YOU** do in the year 1915 is going to be governed **ALMOST ENTIRELY** by what you **THINK** you're going to do—what you think you **CAN** do! To a large degree, a man is measured by the size of his **AMBITION**, as well as his **DETERMINATION**, and there's one thing mighty sure about **YOU**, my friend, and that is that **YOUR AMBITION SHOULD NOT STOP ONE INCH SHORT OF MAKING IT \$100,000 OF INSURANCE PAID DURING THIS NEW YEAR!** Of course, many of you will set a figure much higher than that, but **NO** man should set himself an **EASIER** task—not **LESS** than **\$100,000 Paid-for** in the year 1915!

Now, when a man has set himself a certain task, the first thing he ought to do is to **SYSTEMATIZE HIS WORK**—make up his mind just **HOW** he is going to accomplish it—just the **PLAN OF OPERATIONS** he is going to pursue! **YOU'RE** going to make it at least **\$100,000**—you're going to be a **LEAGUE MEMBER** in the year 1915! That's where we **START!**

We will now divide the year into twelve months and divide **\$100,000 Paid-for** by twelve! That makes **JUST ABOUT \$9,000** of business which you ought to require yourself to pay for during **EVERY MONTH** of this year—**NOT LESS THAN \$9,000!** That means about **\$2,000** of insurance paid for each week! It sounds easy, doesn't it? Well, it **IS** easy—it **OUGHT** to be easy for **EVERY** man who is in this business for keeps—who takes his life work **SERIOUSLY**—who **ISN'T** an easy-going, happy-go-lucky chap—who **ISN'T** a time-waster!

I'm not going to rehearse all the conditions, because you know them just as well as I do. You know what we went through during the last six months of 1914 and you know that conditions to-day are **INFINITELY BETTER** than they were from July 1st to Nov. 1st. You know that business men are **FEELING** better, that their condition, as a rule, is materially improved, that the country is growing richer by the minute and that opportunity is calling loudly to the **EARNEST, AMBITIOUS, HARD-WORKING** man, no matter what his vocation!

Does it ever occur to you to contrast **YOUR** condition—**YOUR** trials—**YOUR** difficulties—with what those millions of poor fellows over there to the eastward on the firing lines are undergoing? I tell you, fellows, it **PAYS** to do that—it makes a man feel positively **ASHAMED** either to complain of his lot and the comparatively petty difficulties which he has to encounter or to waste hours or even **MINUTES** of his business day! As for myself, I feel that I must never again permit myself to utter a complaint or to find fault because I can't go out on the street and pick up money or because things don't always go easy with me or just as I would like them to go! I'm trying to realize more keenly than ever that **YOU CAN'T ACCOMPLISH ANYTHING IN THE BUSINESS WORLD UNLESS YOU FIGHT, AND FIGHT HARD!**

WHO'S going to make your 1915 record a success? Nobody on earth but **YOUR INDIVIDUAL SELF!** Have you a **RIGHT** to shirk the task or is it your duty to yourself, to your family and to your Creator to take hold of your job **MANFULLY, CHEERFULLY, COURAGEOUSLY** and make a record of which you and everybody who knows you will be proud? I leave that question to you, coupled with **MY VERY BEST WISHES** for a glorious and wonderfully happy 1915 for you and all those who are near and dear to you!

and cheaply be provided by life insurance. To this fact our agency increase is accounted for by our publicity and advertising methods and the policy, inaugurated early in the year, of soliciting small policies among clerks and other employees whose income for the year would not be adversely effected by the fortunes of their employers—that class who at the time were apprehensive of the future.

The campaign among merchants, bankers and other business men, pushed aggressively after the European war was declared, has impressed them with the desirability of a safe and sure investment, one not subject to market fluctuations of value, and this is an asset which live, intelligent agents will capitalize for an increased production in 1915. We feel in this section optimistic, therefore, over the possibilities of our business for the new year.

SENTIMENT IN BUSINESS.

An Analysis of Heart Methods in Dealing with Men.

By Forbes Lindsay, Associate Manager, Pacific Mutual Life Ins. Co., Los Angeles, Cal.

Sentiment, I take it, is feeling in contradistinction to reason. It is the product of the heart rather than of the brain. As such, sentiment is a greater factor in business affairs than we generally realize. The largest financial and commercial transactions frequently involve a strong element of sentiment. The famous railroad fight between Jim Fisk and Jay Gould was maintained, for the sake of sentiment, long after good judgment dictated its termination. Andrew Carnegie has the reputation of being a particularly hard-headed man of business. Nevertheless, there are several notable instances of his having been swayed by sentiment in important affairs.

One of the highest authorities on psychology has said that most persons never in their lives are actuated by pure reason, but that they are influenced by desire, imitation, intuition, association of ideas, various sentiments and almost everything but logical considerations. It is doubtful, in fact, whether sentiment can be entirely divorced from any mental action for, in the last analysis, a man always does what he *wishes* to do, even though the desire to act in a certain way has been created by a process of reasoning.

It is of the utmost importance that we should recognize the fact that a substratum, at least, of sentiment exists in every business transaction, because this underlying element will often afford us the most effective medium for gaining our ends. It is quite safe to say that life insurance was never sold without sentiment as one of the motives for purchase. In the extreme case of a man taking a policy to protect his creditors the sense or sentiment of duty is present.

There are only two directions in which we, as salesmen, can make our appeal—those of reason and sentiment; there are only two methods by which we can make it—those of argument and suggestion. The appeal to reason by argument is more difficult and less effective than the appeal to sentiment by suggestion.

Argument, pure and simple, will rarely close a case. You may convince a man that he ought to take life insurance and at the same time be quite unable to induce him to do so. You must make him *wish* to do so and in most instances this can be accomplished by stimulating a sentimental motive.

In resorting to the appeal to sentiment you are treading upon thin ice. The exercise of watchful tact is necessary in order to avoid blundering. In canvassing a day laborer it may be well enough to draw a picture of his widow over the washtub, but a business man would be likely, and justly so, to resent a similar allusion.

The safest and most effectual method is to avoid bald statement and employ the more subtle agency of suggestion. One has the penetrating and diffusive qualities of a fluid in contrast with a solid. A man closes the door of his mind against assertion and suggestion trickles through the crevice and spreads all over the mental chamber.

In dealing with a stranger you are at the disadvantage of

knowing little or nothing about his private affairs. It is dangerous to assume much, especially when you are on the delicate ground of sentiment. In such a situation use suggestion to start his mind working in the desired direction. He will apply your arguments to conditions, plans and prospects of which you have no suspicion.

What the Local Associations Are Doing

Life Association News has no paid correspondents. We depend entirely upon the secretaries of local associations to send us stories of all meetings of their respective associations. If an account of the last meeting of *your* association does not appear in this department, ask the secretary of your organization why he did not send us the particulars.

Immediately after each meeting, on the same day if possible, secretaries of local bodies should send us a full account of the business transacted, including copies of all speeches, or extracts from the most important of them.

Akron.

Mulford Wade was the principal speaker at the December meeting of the Akron association. His subject was "Some Advantages of Life Insurance." The following new members were admitted: E. J. Larrick, Northwestern Life; C. W. Kraus, Pittsburgh Life & Trust; F. P. Hoy, Western & Southern; Kelly & Kelly, Ohio National; E. L. Pollock, Columbia Life; C. Warley, Travelers; Mr. Zimmer, Equitable, New York; E. C. Roberts, Midland Mutual.

Albany.

Several new members were admitted at the regular December meeting of the Capital District association, which was held at Keelers' restaurant, on the evening of Dec. 14, at Albany. Chairman Walter Phelps, of the publicity committee, reported pledges to the education and conservation fund aggregating \$705. He stated that without doubt the balance of the \$1,000 pledged would eventually be raised. James Q.

Sarcus, general agent of the Mutual Benefit, sent in his resignation and it was unanimously accepted. National Vice-President Edward A. Woods delivered a stirring address on "Life Insurance Taxation." Mr. Woods' address was received with undivided attention. His arguments were incontrovertible, and the statistics which he furnished were nothing less than startling. For instance, he declared that one out of every ten persons in New York is buried in the Potter's field. Before the advent of industrial insurance, the proportion was one in seven. To-day, only 8 per cent. of the insurable value of men's lives in the United States is covered by life insurance. At the close of Mr. Woods' address, a rising note of thanks was enthusiastically tendered him.

Baltimore.

The bimonthly meeting of the Baltimore association was held at the Emerson Hotel in the evening of Dec. 14. Fifty-eight insurance men enjoyed an informal supper, after which the business meeting was held. Andrew B. Chalmer spoke on "The Opportunity and Responsibility of the Life Insurance Man for Service to the People." Former National President Ernest J. Clark reported, on behalf of the national executive committee, a nation-wide movement for education of the people on proper uses of the safeguards of insurance by courses in the leading colleges and non-partisan educational aid advertising in daily newspapers.

There was also a discussion with regard to the admission of membership in the association of special agents.

Boston.

Over one hundred members of the Boston association enjoyed the annual smoke talk in the afternoon of Dec. 18, at the City Club. President Vernon B. Swett occupied the chair. The subjects discussed were:

1. "How to Secure Prospects."
2. "Methods of Approaching Prospects."
3. "Securing the Application."

The various discussions proved most profitable and many of the members participated. On the Subject of "How to Secure Prospects," F. E. Rowe said in part:

"Perhaps at this time we older agents need to do some searching of our hearts to discover in these hard times why it is that among life agents we find occasional glowing reports of excellent business. I doubt whether in each case we can state that these successful men have more punch than the rest of us, more ability to approach the prospect, or greater persuasiveness in getting the signature on the dotted line. But in an almost uncanny manner they do size up who is a good prospect at a given moment and also who is not, thereby saving much valuable time for the really good present prospect, and not injuring their chances with many a really good future prospect by untimely and ineffective canvass. Never in my experience has there been a time when as much attention could profitably be devoted to considering the subject of prospects; business is not unusually good and yet there is plenty of resultant opportunity for the skilful salesman. In bringing before you some thoughts on this subject assigned me I would have much misgiving if I felt I was to speak to a 'half a million or bust' club. But I have been assured by your worthy leader that this afternoon I am to talk as if my audience contained only a lot of fellows to whom a \$1,000 application is worth hard, persistent and conscientious work; \$5,000 a wind, and a \$10,000 policy the fulfilment of many a cherished hope. Each life agent should early learn to separate from the mass of the population of the earth the true prospects for life insurance that it will pay him to work upon, and if he can early define in his own mind the meaning to himself of prospect he will simplify his work and surprise himself with the efficiency of his canvassing. We should accept as a splendid fact that no one agent can write every man any more than we should expect every good woman to fall in love with us. Either event would be demoralizing. Now I define my life insurance prospect as that healthy male that there is a fair probability I can persuade to take out through me and pay for a policy of life insurance. As a former pedagogue I am sure I can command sympathy from others here

who have been teachers in saying it is decidedly easier to interest and instruct when one is able to work with pupils from the known to the unknown. Now I as a new agent who is set 'o work in a community where I have some acquaintance must necessarily go for my first prospect to those who are so situated towards me that they will give a sympathetic ear to my story and consider my proposition because they like me, have confidence in me and will be glad to help me provided they do not lose any money thereby. That first case is really the nub of the situation to most men who enter the field. No one to refer to that the neophyte has written, only a rate book, a confiding general agent and the whole world before him, and in need of the money. But that first policy written, the money received and the fact firmly established that a man has been written by me—why the world is mine. The same identical steps are to be taken with every risk—approach, persuade and collect, I have done it once and why not again? And better, for I have made connections, some one there is that I can refer to, and now it is on to the unknown, but with practical knowledge that men do not insure, for I have done the trick."

C. C. Miller believed that it was frequently possible to secure names of prospects by tactfully interviewing men who called at offices with the idea of selling something. He recalled one case where he had, in this manner, secured the names of 1,000 prospects. C. H. Flood claimed that success very largely depended upon the impression conveyed at the agent's first approach, while F. W. Ganse believed in getting down to business as quickly as possible and eliminating superfluous verbiage. C. E. Fish, in discussing the methods of securing an application, claimed that the two greatest factors in closing a case were confidence and conditions. John Voodry declared that a man should not be ashamed of his business, while Glover S. Hastings was of the opinion that some prospects should be treated as though they were children. In such cases it was necessary to begin at the very fundamentals, in order to educate the prospect up to the desired point.

Buffalo.

T. W. Hendrik, vice-president and general manager of the Niagara Life Insurance Co. of Buffalo was the principal speaker at a largely attended meeting of the Buffalo association in the Hotel Iroquois in the afternoon of Dec. 19. Mr. Hendrik, who came here from the Pacific Coast at the time the old Bankers' Life Insurance Co. of New York was taken over and converted into the Niagara, told of the work that has been done since then. He said unusual success had been experienced.

President Joseph E. Gavin presided at the meeting, and he gave a short talk, declaring it was fortunate for the country that the Interstate Commerce Commission had granted the railroads the 5 per cent. rate increase they wanted.

Major N. E. Turgeon, president of the Insurance Federation of the State, gave a talk on the objects of the organization. Secretary G. J. Eckhardt, of the association, was on hand to see that all the members and guests were not wanting in anything. Both he and President Gavin are working hard to increase the membership of the Life Underwriters' Association.

Central Pennsylvania.

"Part-Time Agents" was the principal subject for discussion at the January meeting of the Central Pennsylvania association. The meeting was held in Harrisburg, on the evening of the 4th inst., and three new members were admitted, bringing the total membership up to 48. A resolution to eliminate the "spotter" was passed, with but one dissenting vote. The "spotter" was defined as being one who received remuneration of any sort whatever, for information leading up to the sale of insurance. Nineteen of the members present were avowedly for the elimination of part-time agents at once.

Chicago.

With 400 life insurance men in attendance, the Chicago association gave a complimentary banquet on the evening of December 10. President Ferguson announced that there were more Chicago life agents in the room than had ever before

been gathered together under one roof. A large sign hung on the wall bearing the words, "Eventually—Why Not Now?" The seating at table was so arranged that the members were well mingled with the guests. Everyone was given a pamphlet containing many well-known songs, and within a short time a spirit of good fellowship prevailed.

Owing to the illness of his son, Darby A. Day, who was to speak on "Boosting," was unable to be present.

"Pulling Together" was the subject discussed by Royal S. Goldsbury, president of the Pittsburgh association. He took as his text "Wisdom is in knowing what to do next; skill is in knowing how to do it; virtue is in doing." He thought that the mistake agents make is not planning definitely their daily work. "Many a successful man," he said, "has the habit of being the employer at night and the employe the next day. That is, at night he makes out an intelligent list of prospects who can be called on with as little waste of time as possible. The next day he becomes the employe and calls on that list."

Mr. Goldsbury, in closing, urged all those who were not members to join the association, saying: "Don't stay out of the association because you don't like the people who are already in, but come in and help us make it better." His talk was received with enthusiastic interest.

Speaking with his characteristic force, John L. Shuff, president of the Cincinnati association, gave a stirring address on "Words of Wisdom." He thought that while the Chicago association is doing wonderful work, it is not receiving enough general publicity. In Cincinnati, because of the unusual things the association does, some one of the papers is constantly publishing an article about them.

Under the title "Scotch Idylls," Alfred MacArthur, National Life, U. S. A., told a series of Scotch stories that were very much enjoyed.

Having been a sub-agent for 20 years, F. A. Catharin, of the Union Central, was in a position to speak in an interesting manner on the subject of "Sub-Agents," from his viewpoint of the business.

At the close of the meeting 51 were admitted to membership.

Cincinnati.

At the annual meeting of the Cincinnati association, held at the Business Men's Club on the evening of Jan. 12, the following officers were elected: President, S. P. Ellis, Provident Life and Trust; vice-president, E. R. Ferguson, Mutual Life of New York; secretary, J. E. Taylor, John Hancock Mutual Life; treasurer, Isaac Bloom, Penn Mutual. Retiring President John L. Shuff, recently appointed postmaster of Cincinnati, was toastmaster. The members of the association and their wives were present. The principal speaker of the evening was Henry J. Powell, former president of the National Association of Life Underwriters, who has gone to Cincinnati as manager of the Equitable Life. Mr. Powell's wife, who accompanied him, was elected an honorary member and Mr. Powell was made a member "on sight." Secretary Taylor reported that the membership had increased from 89 a year ago to 100.

Colorado.

The December meeting of the Colorado association was held in Denver, at the office of O. C. Watson, general agent of the Mutual Life. Commissioner Epstein, who was the guest of honor, presented a plan for improving the qualifications for agency representatives. It was decided to plan the annual meeting to be held in January along the lines of the insurance congresses which have been held in other sections of the country. The lecture committee reported satisfactory results in arranging for lectures on life insurance in the various universities throughout the State.

The topic for discussion was "December and How to Make the Best of It." Many forceful and helpful talks were made, among the speakers being Secretary Charles M. Reich, general agent Continental Life; O. C. Watson, general agent Mutual Life; J. Stanley Edwards, general agent Aetna Life; R. E. Taylor, Mutual Life; Irving R. Cowles, general agent

Provident Life; W. W. Booth, general agent Equitable Life; John S. Fabling, general agent Pacific Mutual Life, and Meyer Harrison, general agent Penn Mutual Life.

Davenport.

The regular January meeting of the Davenport association was held at the Commercial Club. Action on a letter received from the Education and Conservation Committee was deferred to a later meeting. In the meantime each member will be furnished with a copy of this communication. Arrangements were perfected for the first annual meeting to be held at noon on February 13. At this time officers will be elected for the coming year, those serving now having been elected only to serve in the interim following organization.

Detroit.

The annual meeting of the Detroit association was recently held at the Hotel Cadillac. Thirteen members were proposed for membership, but as there were a number of applications pending action was postponed until the January meeting. The committee appointed to solicit subscriptions to the Education and Conservation campaign of the National Association reported that \$1,000 had been subscribed and paid in. Retiring President M. H. Zacharias presented his annual report, and said in part:

"A little more enthusiasm on the part of the members for this, the only organization in our community of the men engaged in our business, would in a large measure increase its value to the life insurance men, to the business, and to our clients. A more prompt response on the part of the members when asked to take a hand in committee work would materially assist your officers. The work of your treasurer, who draws no salary, would be materially reduced if all of the members would pay their dues promptly. The annual dues are extremely light, and there is no member of this institution or no man in the life insurance business in the city of Detroit, who can be properly called a life insurance man, to whom it should be any hardship to contribute this small sum promptly when called upon.

"Our attendance during 1914 has been good, but it might be much better, and I trust that you will pardon me for suggesting that if you individually will be just a bit more thoughtful the greater portion of the burden that is placed upon the officers of the institution will be removed and the association will be of immeasurably more value to all of us.

"To the officers and members who have assisted me during the past year, I wish to extend my warmest thanks. It would not be possible for anyone to conduct a successful administration without the hearty aid of the members of the association. In this connection it is both a pleasure and a duty to make special mention of Jesse L. Scott, first vice-president, who has responded promptly to every request and who has been an indefatigable worker for the success of the institution. Mr. Owen, the chairman of the membership committee, is also worthy of special mention. Mr. Richardson, the treasurer, has been extremely faithful in his efforts to keep the dues well collected."

The following officers were elected for the ensuing year: President, Jesse L. Scott, Prudential; first vice-president, Ernest W. Owen, Sun; second vice-president, Thatcher W. Root, Mutual Benefit; secretary, Howard B. Salot, Germania; treasurer, A. G. Richardson, Mutual; members executive committee for two years, Charles L. Bruce, National, Vermont; F. G. Harvey, Metropolitan; W. C. Chadwick, Mutual; for one year, to fill vacancy, W. C. Martin, Metropolitan.

After the meeting adjourned all those present attended a performance at the Orpheum. This was in acceptance of an invitation of Colonel Will A. Waite, who is president of the Orpheum Theatre Company.

Evansville.

The Evansville Life Underwriters' Association organized in the afternoon of Dec. 28 at a luncheon at the St. George Hotel. The following were present and became members of the association:

F. G. Johns, Intermediate Life Bldg.; G. F. Ahlering, 324 Sycamore street; John F. Baker, 409 Intermediate Life Bldg.

C. Norton, 203 Woods Bldg.; W. G. Lamb, 9 Furniture Bldg.; G. K. Denton, Intermediate Life Bldg.; A. J. Saum, 17 Intermediate Life Bldg.; E. H. Ireland, Intermediate Life Bldg.; Will O. Ferguson, 311 South Second street; D. C. Williams, 36 Washington avenue; E. F. Magenheimer, M.D., 10 East Columbia street; A. L. Holland, 413-416 Waverly Bldg.; H. O. Cox, Intermediate Life Bldg.; J. W. Daniels, Intermediate Life Bldg.; B. J. Adler, 321 Upper Third street; Firam J. Adler, 321 Upper Third street; Charles B. Rudd, 103 Furniture Bldg.; Alf. Green, 219 Upper First street; Jay F. Schafer, 503 Furniture Bldg.; A. E. Hopkins, Rookery Bldg.; John S. Conlan, 304 Waverly Bldg.; A. R. Lloyd, 309½ Upper Second street.

The following officers were elected for the coming year: Charles B. Rudd, president; J. W. Daniels, vice-president; Will O. Ferguson, vice-president; John F. Baker, secretary; A. L. Holland, treasurer.

A committee was appointed to draft by-laws and report at next meeting, consisting of H. Adler, D. C. Williams, A. J. Saum.

Mr. Will O. Ferguson suggested that the association give its next dinner at the Crescent Club, which was accepted by the association. It is the intention to meet twice a month at noonday luncheon and get-together meeting and discuss live topics pertaining to the business and its welfare.

All present were very much enthused and promised to bring an additional member at the next meeting. The insurance men, examining physicians and insurance attorneys are eligible for membership.

Florida.

One of the strongest arguments in favor of life insurance ever heard in Tampa, Fla., was given by Perry G. Wall, who was one of the speakers at the smoker given by the Florida association at the Board of Trade rooms in the afternoon of December 26. Mr. Wall brought out the question of moral responsibility and showed that life insurance is a moral and political, as well as a financial asset, telling how it has been of personal benefit to him.

Five-minute talks were made under the general head of "The Local Association." These were: "What It Stands For," by O. A. Ayala; "Its Influence on Legislation," by R. A. Ellis. Dr. S. L. Lowry spoke on "Why You Should Be a Member," taking the place of S. F. Wooten, who was absent, and Chairman P. E. Richardson took up the subject of "Income Insurance and Its Benefits" for Fred C. Wallis, who was unavoidably detained.

The address of Mr. Wall caused personal congratulations and a rising vote of thanks, after which the members present joined in the request that his remarks be published in full for the benefit of insurance agents in all parts of the State.

Fort Dodge.

The principal feature of the January meeting of the Fort Dodge association was a paper by D. P. Smith on "The Scope of Life Insurance." The annual election of officers resulted as follows: M. V. Keith, president; D. P. Smith, vice-president; Burton H. Saxton, secretary; C. A. Peterson, treasurer.

Iowa.

Advocating a commission form of government for the State, Attorney George E. Brammer, newly elected representative of Polk County, in the evening of January 2 suggested a series of election and administration reforms for Iowa which he believed would simplify the ballot and revivify the flagging interest of the voter.

Mr. Brammer was the principal speaker for the Iowa association at the annual meeting at the Grant Club, Des Moines.

The speaker said that under the present form of conducting affairs of the State laws have been increasing, the administrative duties have been multiplying and growing more cumbersome while the interest of voters is waning, a fact which he believed is partly due to the constantly increasing size of the ballot.

The report of George W. Hughes, retiring president, showed

that the association had held ten meetings during the year, that there had been a great deal of interest shown in all the activities of the association. The report of Secretary Will D. Bowles showed a healthy increase in active membership, but a loss in associate members. The report of Treasurer H. A. Bryan showed that the association had on hand a comfortable balance.

The following officers were elected for the coming year: Clarence N. Anderson, general agent for the New England Mutual Life Insurance Company, president; C. L. Lunt, superintendent of agents for the Central Life, and Will D. Bowles, manager of Phoenix Mutual, vice-presidents; George M. Buck, manager of the Fidelity Mutual Life, secretary; L. E. Dutton, of the Metropolitan Life, treasurer. M. M. Deming, manager of the Kansas City Life, was elected chairman of the executive committee.

The next meeting, which will be held the first Saturday in February, will be "Ladies' Night."

Kalamazoo.

The Kalamazoo Life Underwriters' Association held their regular monthly meeting Monday, Dec. 14, at the New Burdick Hotel. Luncheon was served and nearly fifty were present. This was one of the best meetings the association has ever held, and members were enthusiastic and very optimistic. The meeting was presided over by T. Y. Sebring, president of the association. Dr. J. W. Bosman, of that city, gave a very interesting address, using for his subject, "Relationship of the Medical Examiner to the Agent." He complimented the agents on their sincerity and honesty, also loyalty to their company's interests. He stated he always was willing to give the agent his best efforts.

Dr. Amos S. Youngs, of that city, also addressed the meeting and stated in part: "I always make it a point to see and examine an applicant as soon as possible after the application has been given me. This materially helps the agent and strengthens his chance for delivering the policy. I believe that it is the duty of the examiner to make all examinations promptly and in every way possible assist the agent."

Charles W. Orr, of Fort Wayne, Ind., gave a very interesting address on the subject of "Essentials." He pointed out that it was necessary, in order to be successful, to be energetic. Keep continually on the job. That agents should endeavor to save themselves work and their company needless expense, by securing the main facts of an applicant before having him examined. This could easily be accomplished by tact. Mr. Orr's remarks were very helpful and warmly received.

Six new applications were received at this meeting. The officers are planning on having several prominent educators speak at future meetings.

Kansas City.

With an unusually large attendance, the Kansas City association held a meeting on December 18. A discussion on the question of sub-agents' membership was scheduled, but owing to the fact that there were few sub-agents present, a committee was appointed to give further attention to the matter. Several new members were admitted to membership. George A. Lock was appointed as chairman of a committee to prepare a program, having as its object the promotion of the idea that life insurance is a necessary element in the establishment of credit.

Lansing.

The Lansing association held two meetings in December. The first one was held on December 7. At this meeting J. W. Torrey, of the home office of the Sun Life, was a special guest. The second meeting was held on the 10th of that month. At the latter meeting former National President Charles W. Scovel was the principal speaker. Mr. Scovel discussed the aims of the National association. In the evening that gentleman addressed the students of the Michigan Agricultural College upon "Life Insurance, the Institution; What It Is, and Whose; the Economical and Social Services."

The annual election of officers of the Lansing association was held on the 4th inst., with the following results: Presi-

dent, S. S. Stouffer; vice-president, J. E. Walker; secretary, J. Arthur Pino; treasurer, Fred C. Holbeck; chairman of the executive committee, John H. Hawks.

Los Angeles.

At the annual election of officers of the Los Angeles association, held on Dec. 29, Walter C. Shaw, of the Metropolitan, was elected president. The other officers are L. A. Greenwood, first vice-president; Jas. M. Cholwell, Jr., second vice-president; W. C. Mage, secretary and treasurer. In the absence of Arthur P. Chipron, who recently removed to San Francisco, vice-president B. P. Rouse officiated. The secretary read a letter from Mr. Chipron, in which the latter expressed his regret at his inability to be present. Charles W. Pickell, who was one of the guests of honor, delivered an address on "Some Snapshots." There was a general discussion on "The Monthly Income Policy." Two valuable papers were read on this subject by Forbes Lindsay, of the Pacific Mutual, and L. C. Pierce, of the Equitable Life.

The managers of the Los Angeles association recently entertained the Southern California members-elect of the Legislature at a luncheon at the Sierra Madre Club. The managers tactfully made their wishes known as to new legislation, particularly with regard to the anti-rebate bill and anti-twisting law. Those most prominent in the affair were the members of the legislative committee, Irwin J. Muma, Geo. A. Rathbun and F. E. McMullen.

Macon.

At a recent meeting of the newly organized Macon association, 11 new members were admitted. This brings the total number of members up to 26. There was a short business session, and it was decided to invite medical examiners of companies to become associate members of the association. President G. E. Paine appointed the following committees:

Membership—K. T. Alfriend, O. P. Beall and G. A. Rankin. Entertainment—R. W. Watkins, H. B. Duckworth and M. J. Ellis. Publicity—G. H. Phillips, F. R. Jones, W. G. Roberts. Legislation—George W. Head, J. L. Jessup, T. S. Lowry, Sr., H. C. Bagley and K. T. Alfriend. The executive committee, previously appointed, is composed of C. M. Adams, O. P. Beall and G. A. Rankin.

Guy M. Holmes, of Columbus, district manager of the Aetna Life, was the guest of honor.

Minneapolis.

With President G. J. Carlson presiding, the Minneapolis association held its December meeting at the West Hotel, with an attendance of thirty-five. Insurance Commissioner Preus was the principal speaker. Mr. Preus stated that Minnesota is the only State which permits old line companies to reinsure fraternal organizations, and that there will be an effort made to repeal this law at the coming session of the Legislature. Other questions which will be brought to the attention of the Legislature are policy loans and agency qualifications. With reference to the latter, Mr. Preus said in part: "Still another bill which will be presented at the next Legislature will be one providing for qualifications of agents to receive State licenses. Each company to secure a license for an agent must pay the State \$2, but what for or any responsibility the State takes or implies I fail to discover. It is largely a matter of revenue only and was so intended when it was inaugurated. The bill already drawn up and which you would look over and your committee make any suggestions they see fit, looks simple, and the only way the part time question is mentioned is contained in one question asked on the application asking the applicant how much time he proposed to devote to the business. I believe this to be the only way it can be successfully handled, as a measure emphasizing the part time question would be doomed to failure. I believe that if such a bill is passed, even if it proves to be but a weak one, will recognize a principle, and in so doing the matter will be largely solved. I fail to see damage to any interest in the bill already drawn. I predict the next ten years will see an evolution in the part time question so much that at the end of that period the part time man will be entirely eliminated in the United States."

Several new members were admitted. A committee will be

appointed to confer with the industrial welfare committee, the Minneapolis Civic and Commerce Association, with regard to plans for promoting life insurance among employes of industrial institutions.

Mississippi.

The annual banquet of the Mississippi association, held in the evening of January 4 in the Edwards House, was largely attended. Agents from all parts of the State were present in addition to a number from Memphis, New Orleans and other near-by cities. A. C. Crowder, president of the association, acted as toastmaster.

The first speaker of the evening was Hon. Vaughn Watkins. He referred to the insurance companies as "the greatest savings bank in the United States," in whom he had "as much confidence as in the Government itself." He praised the integrity of the men directing the insurance corporations and the energy and intelligence displayed by the agency force. He thought the legislative fights recently waged in Mississippi had strengthened rather than weakened the companies in the eyes of the people, as they had revealed the inside workings of the companies and showed what splendid organizations they are.

Mayor S. J. Taylor expressed his pleasure over the fact that wines were entirely absent from the banquet board, and pointed to this fact as indicating the temperate and sober character of men composing the association. He referred to the fact that individually he carried as much insurance as he was financially able to bear and paid this tribute to the profession: "The more I have seen of life insurance the more I appreciate it. Your occupation is very commendable. You are a benefit to the community, a benefit to the country."

J. W. McKinney, general agent at Memphis for the Michigan Mutual, showed how the profession of insurance "contributes to the sum of human happiness as no other occupation that has a commercial aspect to it." As "a by-product of life insurance solicitation" he referred to the fact that, though rejected risks, thousands of men had had their lives prolonged by having medical examiners point out to them physical deficiencies which otherwise would have gone on unchecked.

Insurance is "one of the most splendid products of an advanced civilization," according to Judge Robert Powell, an attorney of Jackson, who declared that the business had developed a smart set of men that would be a credit to any profession.

Frederick Sullens, editor of the *Jackson Daily News*, referred to the manner in which the *Daily News* is co-operating with the Underwriters' association in conducting its educational campaign.

The Hon. H. M. Quin, Speaker of the Mississippi House of Representatives, spoke of the insurance man as an educator. "Insurance goes hand in hand with civilization," he said. The more life insurance there is the less poverty there will be, as insurance is a great agency for scattering the wealth of the country. He predicted a prosperous year for Mississippi underwriters.

Insurance Commissioner T. M. Henry referred to the good results that have followed the enactment at the last session of the Legislature of a "blue sky" law.

Among the speakers of the evening was Lieut.-Gov. Theodore G. Bilbo, candidate for Governor. Senator Bilbo has been a conspicuous figure in recent legislative fights on insurance bills, and his opinions on insurance legislation were listened to with attention. The Lieutenant-Governor prefaced his remarks by saying that every well informed man recognizes that insurance is an important factor in our social and civic life and must and ought to be protected. No legislator who had at heart the best interests of the State would pass a law to hurt this important part of our business. And if there have been such any statutes enacted in the past it has been due to a lack of information and not to any vicious desire.

He was frank to admit that in years gone by there had been a lack of sympathy between the lawmaker and the insurance

man. This is disappearing now, and he thought the better understanding being brought about was due to the educational campaigns such as are being conducted by the Mississippi Underwriters' Association. He hoped that this work of enlightenment would be extended to the remotest corners of the state and of the nation.

Col. R. H. Henry, editor of the *Jackson Clarion-Ledger*, spent crowd home in a happy humor by telling a number of his splendid stories.

Unable to be present at the banquet in person, Hon. Hugh L. Willet, president of the National Association of Life Underwriters, addressed a letter expressing his regret to President A. C. Crowder of the Mississippi underwriters, the letter being read at the banquet. Mr. Willet took occasion to point out some of the adverse conditions under which life insurance is carried on, and made a plea against unjust taxation.

Nebraska.

At the annual meeting of the Lincoln association, the following officers were elected for the ensuing year: President, Geo. Davies; vice-president, N. H. Gardner; secretary, Walter DeButts.

New York.

The address which A. Barton Hepburn, chairman of the board of Directors of the Chase National Bank, delivered at the eighth annual meeting of the Life Insurance Presidents' Association, was one of the principal subjects discussed at the December meeting of the New York association. The meeting was held at noon, on Dec. 22, at Kalil's restaurant. Lawrence Priddy, chairman of the Executive Committee, was particularly enthusiastic in calling the attention of the members to the various points brought out by Mr. Hepburn, and two copies of Mr. Hepburn's address were delivered to each member of the association present. Mr. Priddy read some of the salient paragraphs of the address, and told how the pamphlet had greatly assisted him in closing a \$25,000 co-partnership case.

In the notice of the meeting which had been sent out, members were advised that a resolution requesting the Commissioner of Insurance to refuse the renewal of certificates of authority in the counties of New York, Bronx, Kings and Richmond, to men who were engaged in a line of business not allied to insurance in any of its branches, unless such agent had written and paid for 12 cases on 12 separate lives during the past 12 months, or a number proportionate to that if he had been licensed for a shorter period. At the meeting, however, a substitute resolution was presented, and was announced that objections had been received to certain portions of the original resolution, as printed in the call for the meeting. The substitute resolution reads as follows:

Resolutions.

Whereas, we believe that life insurance commissions should be paid only to men who devote sufficient time to soliciting and to the study of life insurance, to be informed upon its principles and practices; and

Whereas, we believe that no commission should be paid to any man whose regular business is not allied to insurance in any of its branches; and

Whereas, we believe that there has been a laxness in the appointment of agents by some offices;

RESOLVED, that this association hereby requests and empowers the Executive Committee to take steps toward the elimination of the improper agent and that they (A) Request the companies and the Commissioner of Insurance to refuse the renewal of certificates of authority in the counties of New York, Bronx, Kings and Richmond to men who are engaged in a line of business not allied to insurance in any of its branches, unless such agent has written and paid for six cases on six separate lives during the past 12 months or a number proportionate to that if he has been licensed for a shorter period.

(B) That they inform the companies and the Commissioner of Insurance that this association is not in

sympathy with the issuing of certificates of authority to men engaged in lines of business not allied to insurance.

(C) That the Executive Committee investigate licensed agents and report to the companies employing such agents the names of such as do not conform to the standards set down above.

William F. Atkinson, secretary of the association, called attention to an investigation of the records in the County Clerk's office of Kings County, where agents' certificates on file for 1914 totaled 4,351. The speaker observed that there were 1,818 agents registered under three letters of the alphabet, a, b and c, and that if these agents did \$10,000 each, it means one-fifth of the amount of business done by those companies in the whole State. The State issued 26,780 certificates in the first 11 months of 1914, and during a similar period in 1913 there was business to the amount of \$204,687,319 written. If, from this was deducted the amount of ordinary insurance written by industrial companies, which was \$88,815,535, the total would be \$293,502,854, or an average of \$11,000 per each certificate of authority.

There was discussion on the resolution pending, and Deputy Insurance Commissioner James J. Hoey was asked to express his views. Mr. Hoey declared that the New York insurance department could not legally withhold licenses from part-time men, and that a decision to that effect had been handed down by the courts. The speaker also stated that at the present time the insurance department could not revoke a license, but could refuse to renew a license. He thought it would be a good idea if the insurance department could publish a list of life insurance agents in the same manner that the broker's list is published. By so doing, this would give the Underwriters' association an opportunity of "smoking out" the undesirable. On motion of T. R. Fell the resolution was referred back to the original committee, which was to again consider the matter in conjunction with five other members of the association who were not members of the Executive Committee.

Oklahoma.

The annual meeting of the Oklahoma association was held on the 4th inst. in Oklahoma City. The speakers were S. P. Berry, president First State Bank, and Milas Lasater. Mr. Berry discussed "The Part That Legal Reserve Life Insurance Has with Good Banking and Bank Credits." Mr. Lasater's address had to do with the Education and Conservation movement, and he outlined the work contemplated by the National association.

The election of officers resulted as follows: O. F. Wilson, president; C. S. McGaughy, vice-president; E. S. Emmert, vice-president; J. E. Thompson, secretary; J. N. Dyer, treasurer.

Puget Sound.

To sixteen members of the State Legislature present as guests at a banquet of the Puget Sound Association, at the Elks' Club recently, the life insurance men gave reasons why they regard the present methods of insurance taxation as unjust.

This is the beginning in Washington of a nation-wide propaganda which has for its purpose the giving of the public a clearer idea of the subject from an economic standpoint.

W. Dwight Mead, president of the association, presided. The speakers from among the members were: A. B. Furner, secretary; Ira A. Nadeau, Malcolm Hughes, George E. Howes, C. C. Thompson, A. L. Hanbey, A. S. Elfort and A. E. Reed.

Addresses were also made by H. O. Fishback, State Insurance Commissioner; Dr. Eugene R. Kelley, State Commissioner of Health; Prof. Harry Edwin Smith, who has charge of the new course in insurance at the University of Washington, and Senator Lincoln Davis.

A general synopsis of all the addresses would show that taxation on insurance is not, contrary to the general belief, a tax on rich corporations having hundreds of millions of dollars of assets, but in reality is an actual, though indirect, tax

If your *FRIEND* came to you and said—

“Can I better myself by going into the Life Insurance business?”

What would you tell him?

Would you feel a little bit more sure of his success with a Company that had a real plan for his work?

Then why not say to him,

The Phoenix Mutual Life Insurance Company OF HARTFORD, CONN.

JOHN M. HOLCOMBE, President

on the savings of the masses that go into life insurance.

In this State it was said that out of every \$100 paid as premiums by the insured \$2.25 is every year taken by the State. This amounts annually to approximately \$718,000. As the cost of the insurance department, whose function is to regulate the business and protect the policyholders, is only \$55,000, there is an apparent sum of \$663,000 over and above the purpose for which the tax is theoretically imposed, that is used for other purposes. It goes into the “general fund.”

The point was made that the State should encourage thrift and throw no obstacles in the way of men providing for the care of their dependents, so they would not become public charges. But that in imposing this tax the State made the amount of protection that could be had for a given sum less and cut down on an average every \$1,000 of insurance the beneficiaries received by \$70.

In his remarks, Mr. Fishback said he believed that when the people fully understood the matter there would arise such a demand for the abolition of this form of tax that the various legislatures would have to substitute some other method of raising that portion of State funds now taken from policy holders' premiums, and limit the amount of the tax to the expense of maintaining the departments.

He announced that at the coming session he would ask for legislation to eliminate all purely assessment companies, and prevent these companies doing business in the State after Jan. 1, 1916. Fraternal orders are not to be included.

Prof. Smith told of the course in insurance that has been added to the university curriculum. On the taxation question he supported the views of the insurance men, said it was economically wrong, and cited various authorities to that effect.

President Mead announced that the unwriters' association was gathering together an insurance library, for which 120 volumes had already been secured. It is to be presented to the university, and would, he said, be the most complete of its kind in America.

Rhode Island.

The December meeting of the Rhode Island association was strictly devoted to routine business. President Crum outlined a plan for a special meeting and dinner of the association, to be held in January or February, at which local educators and clergymen will be invited to hear out-of-town insurance men of note, the idea being to secure local cooperation in the work of teaching the far-reaching benefits of life insurance.

Richmond.

The regular monthly meeting of the Richmond association was held January 4, 1:00 o'clock p. m., at the Business Men's Club. President E. M. Crutchfield presided.

The president dispensed with business and mentioned the death of ex-President Mr. William B. Allen. His remarks were an expression of appreciation of the service rendered the association by Mr. Allen, of his exemplary character as an insurance man and personal friend. It was then moved that a committee be appointed from the chair. The president appointed Messrs. D. R. Midyette, W. B. Freeman and A. Wilmer (chairman) as a committee and instructed them to draw up appropriate resolutions to be submitted to Mrs. Allen and to be published in one issue of a morning paper.

An attendance committee was then discussed by the president, who appointed from the chair Messrs. L. D. Warren and H. J. Moseley to act on this committee until the next meeting. This committee will be furnished with a list of members and their telephone numbers and are instructed to either see them in person or telephone them urging attendance at meetings. Mr. R. Taylor Hoffman was voted on and duly elected to membership.

A committee on membership was then brought up by the president and Messrs. S. B. Love and W. J. Shillenburg were appointed from the chair to act on this committee, their duty being to see in person each of the present members and urge them to renew their membership for another year, as well

to solicit new members. A list of the present membership is to be furnished them by the secretary.

The matter of the proposed congress was taken up and letters from the Norfolk, Washington and North Carolina associations were read showing that these associations approved of deferring the time for the congress until the latter part of March or the early part of April of this year. The Tax Committee work was then discussed by the president, who outlined the work done previously by the Tax Committee and stated the plans for the future.

The "Conservation and Educational Movement of the National Association" was then discussed. A committee of two were appointed from the chair, Messrs. D. R. Midyette and Arthur Levy, who were instructed to post themselves fully on the subject and to correspond, telephone or personally see each member of the association and obtain subscriptions for the National Fund. No subscriptions to be made for local advertising.

The San Francisco Club was brought to the attention of the members. It was moved by A. B. Bristow that such a club be formed. This motion was seconded by Arthur Levy. The motion was put to the meeting. It was voted down. No San Francisco Club will, therefore, be organized.

The meeting was then declared adjourned until the annual meeting to be held February 1, 1915.

Louisiana.

It was recently announced that the members of the Louisiana association will be well represented at the San Francisco Convention in 1915. Secretary Wharton has been instructed to investigate the cost of the trip, and the accommodations that can be secured. Applications were received from twenty out-of-town members, and these agents were admitted into the association. It has also been announced that the insurance lectures, which formed part of the curriculum of Tulane University last year, will be resumed this year, beginning in February.

Rochester.

A severe indictment of modern civilization was made by Dr. Stanton Coit, a prominent English lecturer and author, in an address before the Rochester association on Dec. 19 at the Hotel Seneca. Dr. Coit's subject was "Is Civilization a Disease?"

Dr. Coit declared that the savage has contributed more to the real life of to-day than the barbarian or the civilized man. He defined disease as a condition of the body that preys upon the external organism, and spoke of visiting the

"What the Equitable Offers"

What the Equitable Offers is the title of a booklet listing in detail the many attractions and advantages of Equitable policy contracts.

While intended for the prospective insurer, it will interest any insurance salesman who is curious to know why Equitable policies sell readily, renew steadfastly and meet every conceivable need of all classes of insurers. A copy will be sent to any address on request.

The Equitable Life Assurance Society

of the United States

165 Broadway, New York

W. A. DAY, President

Satisfied Policyholders

The constant line of applicants
for **ADDITIONAL** insurance in the

JOHN HANCOCK

shows that its members have
GOOD JUDGMENT

**TIE UP WITH THE COMPANY MAKING
SATISFIED AGENTS**



WILLIAM N. COMPTON

General Agent Metropolitan District

**ST. PAUL BLDG. 220 BROADWAY
NEW YORK, N. Y.**

Rockefeller Institute recently and seeing some microbes, among them the microbe that causes locomotor ataxia. When this microbe enters the human system it becomes "healthy and wealthy," but the victim becomes unhealthy and poor. Dr. Coit asserted that civilization seems to work in just about the same way. Its advance has always been accompanied by sickness, crime and poverty, he said.

The pyramids of Egypt, said Dr. Coit, have often been referred to as monuments to an ancient civilization, but he contended that, in the light of the fact that they were built by slaves, they are not a monument to any civilization. Likewise the Grecian Parthenon, he said, was built at a time when there were only 20,000 free men in the country and 200,000 slaves. He declared that the much vaunted civilization of to-day is not much better than that of the ancient nations, when it permits such evils as wretched factories, underpaid workmen, poverty and misery.

"Recently a rich man of Philadelphia," said Dr. Coit, "paid \$600,000 for a small canvas of 'Mother and Child,' while at the same time thousands of poor walked the streets hungry and without shelter. That man's heart was not beating with any real love for motherhood or children."

Dr. Coit said that the civilization of to-day is extremely selfish, but he predicted the coming of a higher type through Americans. He said that Americans will eventually be the white corpuscles that will destroy social disease, just as the white corpuscles in the blood destroy disease and bring health to the afflicted parts of the body.

St. Louis.

A committee was appointed at the December meeting of the St. Louis association to nominate officers for the year of 1915, at a meeting to be held on the third Tuesday of this month. J. M. Bloodworth, president of the association, was warmly congratulated upon the success of the association during his incumbency. The association has grown from a membership of 90 to over 200 members.

San Francisco.

A special meeting and dinner of the San Francisco association was held at the Hotel Stewart Thursday evening, Dec. 10, at which 26 members were present. President Matson presided.

The applications for membership of George D. Reid, of the Prudential; Eugene R. Ellis, of the Penn Mutual; A. F. Smith, of the Bankers' Life, and M. B. Hayner, of the Union Central, were recommended to the association for election by the executive committee. Upon motion of Mr. Hunter and second of Mr. Messler, the secretary was instructed to cast a ballot electing.

The president called upon W. L. Hathaway, as chairman of the committee appointed to co-operate with other insurance associations toward the formation of an insurance club, for a report of his work in that connection. Mr. Hathaway explained in detail the formation of the club, tentative regulation of dues, etc. On the evening of Dec. 9 the total charter membership was 113, and the list was rapidly growing. Mr. Hathaway stated that while the resolution of the association authorizing the formation of a club actually made that club the official entertaining body for the national convention of 1915, he nevertheless believed it well that an entertainment committee be appointed to directly represent the association in that work, and offered the following as a motion:

"That a committee be appointed from this association for the purpose of making preparations for the entertainment of the National Association of Life Underwriters here next year; for the conducting of that entertainment during their presence, and for the purpose of devising ways and means of raising money for such work.

"That the work of the committee be conducted either in co-operation with, or independent of, the Insurance Club, as seems best in the eyes of the committee as their work progresses.

"That the chairman of the committee have full authority in connection with the arrangements for, and conducting of, such entertainment, as well as to create sub-committees, either from

the membership of the original committee or from the rank of the association, as they become necessary for the proper carrying on of the work."

The above motion was seconded by Messrs. Stephenson, Shields and Stearns, and unanimously carried.

The president thereupon announced the appointment of the following committee, to be known as the "Committee on 1915 Convention Arrangements:"

W. L. Hathaway, Chairman.
Leon B. Messler.
Harry J. Ford.
Will G. Taffinder.
G. W. Hay.
R. L. Stephenson.
Geo. L. Bandy.
Garner Curren.

Mr. W. L. Hathaway then addressed the meeting upon the subject of a proposed joint conference between the Los Angeles and San Francisco associations, to be held at some intermediate point at an early date. He explained that this idea was the outgrowth of a suggestion made at the time Messrs. J. Newton Russell and F. E. McMullen were recently entertained by the life insurance men of San Francisco at an informal luncheon; and that while he, at that luncheon, was authorized to appoint a committee to take the matter in hand, he preferred that official appointment be made by the association, in conformity with the procedure adopted at Los Angeles.

Inasmuch as the purpose of the proposed joint conference is to discuss the entertainment of the National Association next year, in which the Los Angeles association is to act as joint host with that of San Francisco, the president announced that he would delegate the Committee on 1915 Convention Arrangements to promote the conference, but that he would add to that committee for the specific purpose the names of Clarence M. Smith, Otto Irving Wise and A. P. Chipron.

Will G. Taffinder read a communication from H. H. Ward of Portland, wherein Mr. Ward stated that it was his intention to visit San Francisco in the near future, at which time he would like to meet as many members of the association as possible for the purpose of discussing the 1915 convention. Mr. Taffinder moved that the secretary be instructed to extend to Mr. Ward an invitation to attend the annual meeting and banquet of this association, to be held in January. Mr. Stearns seconded the motion and it was unanimously carried.

H. R. Hunter moved that R. O. Miles, twice winner of the Ben Williams vase in competitive essays, be tendered a resolution of thanks by the association. Upon second of Mr. Messler the motion was unanimously carried.

A discussion as to further increasing the membership of the association was had. A membership committee was appointed, with W. R. Hunter as chairman, together with L. B. Messler and W. H. Matson, president, who volunteered to serve.

Savannah.

On the fifth of this month, the Savannah association held its annual election of officers, with the following results: President, Otis E. Stewart; first vice-president, Aaron Ferst; second vice-president, R. Larcomb Schley; secretary and treasurer, Andrew McC. Doyle.

Tacoma.

The annual meeting of the Tacoma association was held Tuesday evening, Dec. 29, in the private dining room of the Olympus Hotel.

C. F. Widmann, manager of the Equitable, was elected president for the coming year, succeeding William Peterson, district manager of the Northwestern Mutual, who has been president for the past two years. H. L. Pelletier, manager of the Travelers, was elected first vice-president, and Arthur Finley, manager for the Penn Mutual, was elected second vice-president. George Jacobs, secretary for the First National Life, was elected secretary to succeed G. H. Jackman of the American Casualty Co. C. H. Nelson, of the Reliance Life Insurance Co., was elected treasurer, succeeding M. C. Arvidson of the Northwestern Mutual.

Reports were read by the different committees of the retiring officers, showing the association to be in a prosperous condition. Twelve new members had been admitted to the association during the year. Mr. Peterson expressed the sentiments of all the members when he said that the work of the association since its organization two years ago had promoted a feeling of good fellowship among the life insurance men of Tacoma, and had in many ways been of direct and indirect benefit to the members of the association, as well as to the insuring public. He also stated that one of the things which was the most vital to the interests of the policyholders throughout the United States, had been accomplished by the National Life Underwriters' Association, through the efforts of various Life Underwriters associations throughout the United States, which was the repeal of the proposed government tax on life insurance, which tax would have amounted to millions of dollars to the policyholders and the life insurance companies would have had to pay during 1915.

A vote of thanks was extended to the retiring officers, Wm. Peterson, Geo. H. Jackman and M. C. Arvidson, to whom the prosperous and flourishing condition of the association is largely due.

Texas.

The annual meeting of the Texas Association of Life Underwriters was held at noon on Jan. 9, at the Oriental Hotel, with a luncheon.

Hon. John S. Patterson, recently appointed Commissioner of Banking and Insurance of Texas, was unable to be present owing to pressing duties before taking office this month. An able address was made by Hon. Joseph P. Mahoney, assistant counsel of the Federal Life, of Chicago. Mr. Mahoney was very complimentary regarding the work of the association, and proud in his praise of the operation of the Robertson law in Texas. President Orville Thorp and Secretary Henry Camp Harris made reports covering progress of the association during the past year. A movement was started to organize associations in Houston, San Antonio, Waco and other cities.

The following officers for the new year were elected: President, W. G. Harris, Aetna Life; first vice-president, B. F. Myers, Fort Worth Life; second vice-president, Joseph E. Rhea, Southland Life; secretary-treasurer, A. L. Davis, American Central Life.

Executive Committee—A. Rosenbaum, chairman, Pacific Mutual Life Insurance Co.; D. D. Crockett, Midland Life; A. C. Bigger, Southwestern Life; W. F. Beaton, Missouri State Life; Henry Camp Harris, Reliance Life.

President W. G. Harris appointed Ben Thorp, Federal Life, chairman membership committee; J. Y. Webb, International Life, chairman program committee; L. M. Cathles, Southwestern Life, chairman publicity committee.

Western Massachusetts.

The Western Massachusetts association met in Cooley's Hotel, Springfield, in the evening of Dec. 19, at 6 o'clock for

supper, followed by a business meeting and addresses. About fifty members were present. The speaker of the evening was to have been Fred W. Tasney, of the Prudential, but he was unable to be present. His address in manuscript, however, was read by Cyrus H. Lang, manager of agencies of the western division of the same company. The subject of the address was, "The Optimist—What He Is and What He Does." Two new members were taken in, Myron T. Smith, general agent of the Phoenix Mutual, and Paul Zerahn, agent for the Mutual Life.

In the address read by Mr. Lang, Mr. Tasney discussed in a humorous vein the qualities of the optimist, especially the optimist in the insurance business.

Wichita.

That the writing of life insurance is a profession of the same high character and responsibility as that of the ministry was an assertion made by Bruce Griffith of the Aetna Life at the dinner of the Wichita association in the Kansas Club in the evening of January 2.

C. Q. Chandler, president of the Kansas National Bank, was the guest of honor and made a capital speech. He said that he was a firm believer in life insurance and that the banker looks with favor upon the carrying of life insurance in all walks of life, sufficient at least to cover all obligations. He said also that it is the duty of life insurance men to carry on a campaign of education with reference to the plan of monthly income insurance, as in this way the insured knows that the savings of his lifetime will never be dissipated through improper investments or through the plausible schemes of the unscrupulous.

Youngstown.

The regular December meeting of the Youngstown association was held Dec. 10, at the Y. M. C. A. The members and guests to the number of about thirty-five heard Dr. I. N. Philo, of the Temple Rodef Sholem, deliver a discourse on "The Ethical Element in Life Insurance."

"You insure society against immorality, against crime, against pauperism, against degeneracy by securing to the individual his self-respect, his sense of moral value, his manhood, his ideals. All this you do by keeping inviolate the integrity of the home," said Dr. Philo. "To insure honor, morality, the self-respect to self and others and safeguarding the sanctity of the home is not only to perform patriotic service of the highest order, but to foster and provide the finest ideals of civilized society."

Dr. Philo delivered the following as the "ten commandments for life insurance men":

1. Give the best insurance; for, like honesty, it is not only the best policy, but the best principle.
2. Get the best risks, for, like mercy, their children will bless the giver and getter.
3. Insure your friends; your enemies will insure themselves.
4. Have confidence in your company, otherwise no company will have confidence in you.

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5. Have faith in your company and in your work if you want others to have faith in you.
6. Work for the benefit of humanity; its beneficiaries will work for you.
7. You cannot get insurance if you do not give assurance in character and conduct.
8. If you want a life annuity insure yourself in the gratitude of your beneficiary's posterity.
9. If you want to do business in your office win the welcome of many homes.
10. To be a High Priest in the Temple of Insurance you must serve at the altar of humanity.

Following Dr. Philo's address the association heard John F. Cantwell and D. H. Welday, of Steubenville. At a regular business meeting \$50 was contributed by personal subscription to the Conservation and Educational movement which has been instituted by the National Association.

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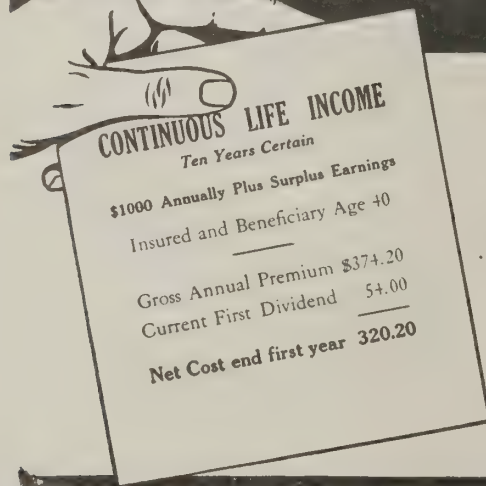
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 EVERETT M. ENSIGN.
 (Signature of editor, publisher, business manager or owner.)
 Sworn to and subscribed before me this 1st day of October, 1914.
 JOSEPH C. STEBBINS,
 Notary Public Kings County. Certificate filed in New York County.
 (My commission expires March 30, 1915.)

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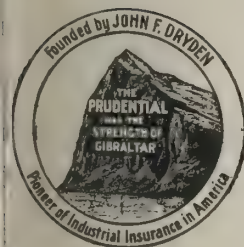
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Life Association News

OFFICIAL ORGAN OF THE NATIONAL ASSOCIATION OF LIFE UNDERWRITERS

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No. 6

SOME EVOLUTIONARY DEVELOPMENTS IN LIFE INSURANCE.

THE SCIENCE ITSELF, THE COMPANIES, THE CONTRACTS, THE AGENCY OPERATIONS OF TO-DAY ARE ALL OF GRADUAL CONSECUTIVE GROWTH.

The Business Traced Back 2,000 Years, Beginning in the Days of the Roman Republic. Its Origin Not Found in a Demand For Protection, But with the Direct Antithesis, the Annuity.

The following article was written by George W. Johnston, president of the Johnston-Collins Company, General Agents, the Travelers Insurance Company, New York City. To Mr. Johnston belongs the unique distinction of a triple award of the Calve Loving Cup, so reference to Mr. Johnston's literary attainments are superfluous. We believe in a mixed diet, both gastronomically and mentally, and consider it a privilege to present to our readers an article somewhat different from the usual style of papers appearing in this journal.—Editor's Note.

The subject assigned to me of life insurance is too broad, and I take the liberty of confining myself to an informal discussion of a few phases of it. You will be relieved to know once that I shall omit statistics and demonstrations. Nor shall I venture to instruct: I would if possible rather entertain by leading you into certain byways of insurance thought. I assume your general acquaintance with life insurance as you see it practiced, and shall consider not so much what it was as what started it and by what processes it developed. Evolution has played here its usual part. The science itself, the companies, the contracts, the agency operations of to-day are all matters of gradual consecutive growth. They are best understood and their future best foreseen if we know from what seeds they have sprung.

A Romance.

No mere recital of figures and facts can do this, and time permits me merely hint at the story of life insurance. Rightly told, it would be not a treatise, but a romance, a series of pictures full of color, a brilliant brocade in which jewels are interlarded, a tapestry in which lordly figures hunt or battle. To review it would be to enter the world's most dramatic pageant; the men to figure in it are not obscure, but the most picturesque of their times, leaders of thought and action; Roman praetors, mediaeval banker-princes, steel-clad Spanish captains, fur-robed Dutch burghers, Jewish usurers in gabarines, thrifty English merchants, royal astronomers, statesmen, philanthropists, modern executives who think in millions. mingled with the story would be the tarry smell of London docks, the murmur of boards of trade, the heavy oratory of parliamentary speeches on the public debt; we would see cut-throats dispose of men insured by gamblers, watch bubble companies burst and panics spread. And all this to know a little more of business which to-day is eminently staid, respectable and law-abiding, and seldom suspected of kinship with the romantic.

Our attention is so generally called to modern manifestations of life insurance that we regard it as altogether new. It has taken 2,000 years to develop it. To appreciate this de-

velopment we must know history, for it starts with the matured power of the Roman Republic and follows the Empire's wonderful system of jurisprudence; passes through the long terrors of Holland's wars, the reconstruction under England's last revolution, and in the past century is an epitome of the progress of the United States.

It represents historical extremes. Its nomenclature betrays its remote origin, as you see from such Latin words as insurance, premium, annuity, policy, contract, interest, reserve. Its practice is intensely modern. It is intimately interwoven with world movements of the highest order, nor is there any exaggeration in saying that in its growth it has helped human liberty and civilization.

Popular Misconceptions.

This long preamble is not without purpose. It aims to brush away some popular misconceptions. We think of life insurance as being dry as dust; a dull prosaic matter of formulae and bespectacled actuaries and insistent agents and periodic drains upon our pocketbooks. It is a popular mystery. There is no commodity or security so widely bought, about which so little is known, nor is there any business or profession whose followers study it so superficially; and this mystery and ignorance are exasperating because needless. If most of us were asked how life insurance originated we would answer that it was either as a scheme for money making or a deliberately worked out plan for securing indemnity against losses by death. Nothing of the sort; it simply grew by natural methods out of a strange variety of origins. It began in legislation about wills, developed because of the emptiness of State exchequers after devastating wars, and its science starts with gambling experiments upon the law of chance.

Let us now examine briefly some of the processes by which from such curious beginnings it happened that by what seems an anomaly life insurance became what it is to-day. Let us see what made it slow in starting, what suggested it, what forces combined to perfect it.

All insurance is a remedy against losses that are certain or possible. It is a device for distributing among a com-

munity the losses of a few people so that what would crush the individual will be felt lightly by the many. No form of insurance is desired or is possible among any but civilized nations, for the very idea presupposes forethought and fraternal co-operation; and nothing becomes the object of insurance until it assumes a definite economic value or until the hazard is so recognized that men are willing to pay a small certain sum lest they lose perhaps a larger sum. In certain particulars life insurance is like other branches, but it differs from all others in one feature—it deals not with the possible or probable, but with the certain. A house may burn, a ship may sink, an accident may cripple, a trust may be betrayed; but death, some time or other, is sure to come. The uncertainty, the problem, are not, will it come, but when.

An Exact Science.

A life insurance contract entered into and kept in force long enough will certainly become a claim in full. Now, from this certainty springs the exactness of the science of life insurance. Other lines of underwriting call for judgment, for good guessing, if you will; and they are subject to radical changes from time to time. One decade calls for different fire rates from the preceding decade, now requiring high rates, now permitting a reduction; but life insurance alone keeps a steady course. It dares not deviate from the rules of its mortality tables; it acts not so much by what it thinks as by what it knows. To know, to determine what are the cold facts, what are the vital laws, is the constant effort of life insurance. But these laws are so complex, they are made up of so many obscure factors, that only in comparatively recent years have they begun to emerge from scientific guessing into a more and more stable generalization.

The inherent difficulties just outlined were not the only things which delayed the issuing of life insurance. There was no demand for it.

When Life Was Cheap.

The ancient world did not concern itself with the economic loss caused by death. Life was cheap. Death, and early death at that, was the commonest of accepted facts. Incessant wars and frequent pestilences allowed few men to reach advanced age. No wonder old men were then venerated; they were curious. There was no Red Cross corps in battle then; the wounded died and there were few prisoners. The average length of life in the 16th century was 18 to 20 years; it is now between 40 and 50; it is twice what it was even a century ago. Moreover, in ancient times few men produced wealth or had a measurable money value. More men destroyed than built up. Wants were simple; wives and children were often the wealth producers, and the death of the warrior husband was felt more as a loss of defense than a loss of income. So no demand for life insurance could arise until these conditions changed. Nor was the loss by fire in ancient times so common as to suggest indemnity; houses were all stone or clay, and fire was little used. Therefore it naturally happened that the first insurance effected should be in connection with a hazard that was frequent and terrifying and where the loss was complete and readily calculable as to amount. That was marine insurance. Demosthenes tells how Greek merchants going on a voyage would borrow a sum of money which was not to be repaid if the ship were lost, but was to be repaid with a large additional sum if the ship came back in safety. This additional sum, partly interest, was also partly premium. The nearest approach to life insurance among the ancients was in various Roman Collegia, like that of Diana and Antinous, which provided funeral expenses only for their members.

The origin of life insurance was different from that of marine. It started not with demand for protection, but with the direct antithesis, the annuity. Roughly speaking, life insurance is a contract to pay a certain sum at death; an annuity agrees to pay a certain income for life (or a fixed term of years) and nothing at death. Annuities were 1,600

years old before the first life policy was written. Yet from them life insurance developed directly, though by no means entirely. It is a freakish growth, this of one thing from the converse. Let me outline it, as one of the curiosities of finance.

The wealth of Rome gave rise to a highly organized system of laws affecting property. The Senate concluded that men were abusing the right to bequeath estates to certain beneficiaries, and so passed the Falcidian Law. This forbade a testator's giving more than three-fourths of his property in specific legacies, so that in consequence at least one-fourth had to go to his legal representative.

The Crude Beginning.

Now, if a man left a certain life estate to his wife it was necessary, in order to find whether the law was complied with, to determine what was the immediate value of the estate, comes, the annuities, which the wife would presumably enjoy. The new thing was not the annuity, but the need to say what was its value. To fix this was at first pure guesswork. The law would say, without any reference to age, that it was worth some seven, eight or ten incomes. Later, by the rule of Aemilius Macer, they assumed that anyone aged 30 had a good chance to live to age 60, and no one lived beyond that. Interest was not taken into consideration.

About 225 A. D. the great Praetorian Perfect and jurist Ulpian, whose works makes one-third of Justinian's Digest, proved this crude system of valuation by tables of mortality. Then for 11 centuries there was little progress and the matter is almost lost in the gloom of the Dark Ages. By the 14th century annuities had developed into a common and recognized method of investment. Here and there we find individuals or guilds purchasing them; or a town would borrow money by paying double interest while the lender lived, but never repaying the principal. Thus at the end of the 14th century Lübeck shows numerous contracts on a fixed rate of 1:10; Nuremberg, 1:9, without regard to age; thus they received 10 per cent. or 9 per cent. a year for the life of the annuitant. On the contrary, age was considered by Hanover, Nordhausen, Augsburg and Breslau, which received a rate of from 1 in 4 to 1 in 10, according to age.

The statement is often made that annuities were invented simply to avoid the stringent laws against usury; but, though these laws doubtless increased the use of the annuity, "the contract was already in existence before the endeavor was really seriously made to enforce its prohibition."

Holland's Part.

And now Holland comes into the story. She fought long wars with Philip and his successors; the bloodiest, longest struggle for liberty that the world ever knew, the precursor of English revolutions and the most potent help to American liberty of to-day. Dutch commerce had diminished but survived. Its people were frugal and its burghers shrewd. With the progress of war and the growing scarcity of money nothing could tempt the hoardings out of cellars and hidden vaults but annuities. They evidence a canny form of patriotism. To a certain extent annuities helped to drive the armies of Spain from the low countries. For any such help, honor to them! When the wars were over and Holland reorganized her finances, her fiscal system was based upon annuities; nor is that unique, because the systems of both France and England are to-day so based, consols and rentes being nothing but perpetual annuities. In 1671 Jan de Witt, Grand Pensioner, undertook to determine what annuities the state of Holland could safely pay, and he is the first man who attempted to determine by mathematical principles what was the value of life annually. His assumed limit of life was

A further change took place. Annuities proved good investments. Men lived longer than expected, and those who risked money on themselves or others were pleased. Dutch bankers with money to invest bought annuities on their own lives, then on the lives of their families, and finally on others. They hunted for young, healthy people. They even went to England for good cases. They found women longer

lived than men, and the English peasant woman longest lived of all. As an eminent British jurist long after said, "Women annuitants may wither, but they never die."

To-day annuitants live longer than insured people, and women annuitants longest of all. The Dutch ideas spread to England. When Prince of Orange became William III., he brought his country's financial methods with him. The Bank of England shows the effects of it, and in many governmental annuity schemes England proved by the loss of millions of pounds that to be liberal in selling annuities is a dangerous thing.

These transactions grew popular between individuals; one purchasing, the other selling the annuity. But the premature death of the annuitants proved such a disturber of the security that some men undertook to hedge. The annuitant who had sunk a thousand pounds on his own life or that of some third party saw that his life was worth a thousand pounds. He then made a contract with perhaps another party who would agree to pay a thousand pounds when death should wipe out this property. And so at last the economic value of life was distinctly and accurately recognized.

The Part Annuities Played.

This is in brief one of the processes of the birth of life insurance. An eminent actuary to whom I am indebted for some of the above ideas, but whose historical references contain obvious inaccuracies, assigns to annuities the controlling part in this development. My own opinion is that this is hardly fair, because a life contract was issued in London nearly a hundred years before de Witt and his table. Annuities were certainly, however, one of the several main causes. I give the sketch at so much length because no one can quite catch the spirit of life insurance without appreciating the human interest attaching to annuities; and in the second place life insurance formulae are based upon it. To find what charge must be paid for insurance we must first know the value of the corresponding annuity on that life. Again, as every reader knows, literature is full of annuity references. The most pathetic passage in English prose fiction is where Thackeray tells of Colonel Newcome's death. That gallant gentleman would never have uttered his "Adsum" in poverty had he not sold his annuity. And still another reason has led me to treat thus of annuities, because by a most curious evolution life insurance which originated in annuities is now winging back to them. The circle has turned to its point of beginning. The tendency of to-day is steadily towards policies providing for the payment at death of some form or other of annuities instead of a lump sum of money.

The First Life Insurance Contract.

But at the same time that annuities were coming into favor it is certain that men were also, from reasons quite independent, groping after life insurance. Other lines had grown common. Marine insurance was written in Belgium about the year 1300, and is spoken of in the time of Elizabeth as generally recognized precaution. The fire of London in 1666 was the prime stimulus to fire insurance. The first record of life insurance contract, so far as I know, is of one made in 1583, by which several London citizens insured a man named Gibson for nearly \$2,000. The rate was 8 per cent., about \$160, for one year only. It was issued early in June, and late in May of the following year the insured died. The insurers promptly refused to pay, upon the ground that Gibson had survived 12 lunar months; but a stern court compelled payment. This was a sporadic case. The times were not ready.

There could be no system without mortality tables. And these, it should be noted, were not originally made to make insurance possible, but for a variety of reasons, one of these being the prevalence of card playing, the study of pure chance and then the study of the chance of life and death. These tables were first taken from public records, the earliest being those of births, deaths and marriages in Geneva, Switzerland, continuous to date from 1549. It was Breslau, in Silesia, however, whose records formed the basis of all early life insurance, because they alone showed the ages of the dead.

From these Halley, the eminent English astronomer, constructed in 1693 the Breslau Table of Mortality. This was in a few years followed by the first association for life insurance, "The Society of Assurance for Widows and Orphans." Other concerns followed, entrance fees were charged, promoters made money out of them, and plans were faulty, speculation was common, and many insurance funds passed into the colossal failures of the South Sea Company and the Mississippi Bubble. Some 50 life insurance schemes failed. They generally gave insurance for only one year at a time, the premiums were not graded according to age, and no adequate sinking fund was provided. It was not till 1762 that these defects were remedied, and the Equitable of London started. It is still in existence, largely due to the fact that, not knowing what it ought to charge, it guessed on the safe side and charged too much, its mortality proving less by one-third than anticipated. Since then there has been a steady progress in the collection of vital statistics, first from cities, then from the experience of companies, until now rates are made from tables based upon actual experience with selected lives chosen from selected occupations. I shall not attempt to describe these tables or the method of calculating rates, but let me assure you that the elementary rates at least are not the formidable matters they are usually supposed to be. We find that out of 100,000 people of a given age so many die in a year. Nothing could be simpler than to say how much each one of this 100,000 must pay to give \$1,000 insurance for each one who dies. Each year the cost increases. So the simplest scientific policy would be one requiring a steadily increasing charge up to age 95, when the rate would be \$970.87 per \$1,000. This would be yearly term insurance. In other words, a whole life policy is a term policy for life. But this plan of increasing cost suits few people. Therefore the actuaries commute these increasing charges into a level rate, lasting for life. The charge is thus at first more than necessary and the overcharge accumulates; after certain years the losses equal the charge, and after that the losses exceed the charge and finally consume the accumulated overpayments. That is an ordinary life policy. From it follows the limited payment, which is only a further commutation into, say, 20 payments of the equivalent life-long payments. The endowment pays at death or to the insured if living at the end of, say, 20 years. It is not calculated as usually supposed, but is singularly like certain chemical compounds in being quite different in appearance from either constituent, as when two gases form water. Consider a policy paying \$1,000 if you die, nothing if you live 20 years; you would not be attracted by it; consider another policy paying nothing if you die within 20 years, \$1,000 if you live; you would not buy it at any price. Combine these, however, and the result is a 20-year endowment, one of the best and most popular policies.

Development of the Interest Factor.

The development of the interest factor is worth noting. As I have already mentioned, early calculations did not include interest. The early premium rates were therefore often needlessly high. If we assume that for safety more is to be charged in early years than is then necessary for death losses, and if these overpayments are to be invested against the time when they will certainly become a claim, we must allow for compound interest; for by so much we can reduce our rates. Here the early assumptions as to what percentage of interest would be earned were too high, $4\frac{1}{2}$ or more. The growth of funds, the resulting difficulty of placing them, the drop in interest rates, have all combined to make the prevailing rates assumed $3\frac{1}{2}$ or 3 per cent. And when we speak of a 3 per cent. reserve company we mean one which, if it earns 3 per cent. upon its investments, will meet all its obligations at maturity. Its reserve equals the present discounted value of all its contracts.

And because of the interest element (please note that I am following the operation of causes) and because of the overcharge for safety, we have dividends, so-called. A company saves on its mortality, saves on its expense loading, and earns more than its reserve requirement. The first two sources are fairly constant under fixed management; their

variation is negligible compared with the possibilities of variation in interest; for interest rates move by great laws in long, uncontrollable swings of a pendulum from high to low and high again. And as under certain contracts a policy issued now may not be entirely paid out for 100 years, the item of compound interest is of profound importance, not only in reference to dividends, but as to security, and the supreme effort of insurance administration is to obtain stability of investment yield.

Europe Originated; America Developed.

It took Europe to originate life insurance, and the United States to develop it. Our rapid growth in population and wealth made this possible; and we are an impulsive people, we rate our value highly, and optimism is the great buyer of life insurance. The system has proved peculiarly adapted to the development of natural resources. It has been our great bank of savings, a reservoir for capital that has aided all sorts of worthy enterprises. Europe and Japan carry \$12,000,000,000 of all life insurance, the United States over \$25,000,000,000, including assessment. In 1905 there were in this country 112 regular companies; in 1913, 250, with \$19,000,000,000 in force. These have assets of \$4,500,000,000 and distribute one-tenth of them yearly to policyholders. Yet we are underinsured. Probably 82 per cent. of our combustible property is insured against fire, but only 7 per cent. of the estimated value of American lives is covered. Yet it is not inconsistent to say we have too many companies. One hundred and twenty-eight of them report a volume less than \$6,000,000 each. Many must fail or combine with stronger ones; and here again the evolutionary elimination must operate.

Meanwhile legislation hampers the strong companies. It says, "Life insurance is a good thing, but you must not have too much of it." And the strong companies, limited in volume, take the highly preferred risks and decline thousands of border-line cases who need insurance and whose need is of profound economic concern to the State. All revolutions go too far. Reaction as to this feature has begun.

Every Word in Contract Has History.

In the contract of to-day every word has its history. Many have been necessitated by crimes; for the story of insurance is the story of the frauds against it. Some features grew out of competition, some from legislation. Life insurance has felt its way along, finding here danger, there a preventive; here obstacles, there help, adapting itself to popular needs and fancies, making errors and correcting them. There has been an incessant struggle between safety and attractive liberality. The net result to-day as to cash and loan values errs on the liberal side. Five hundred and twenty-five millions dollars is loaned in this country upon policies. This is a menace, is being recognized and will be curbed by increasing the interest charge and requiring longer notice.

In a book which I had not seen until after this article was nearly written I find the following:

"The last work in the evolution of the policy is that in its beginning the gambler was the man who took it, and that now the gambler is the man who refuses it."

This exactly expresses the general tendency. The companies seem to have but one aim now: to give the public what it wants, and as much as can by any possibility be given without danger. For example, the disability clause, under which the policy is paid up or even matures upon physical disability, originating in Germany, and scarcely known here 10 years ago, is now becoming general and offers statistics of its own. Another development is clearness of contract. But there is no development more curious than that strange circle of evolution already alluded to by which policies are being sold because of their annuity yields of various kinds. This comes from the appalling losses by widows of insurance moneys paid to them. Some one well says: "Give a woman \$50,000 and she will be poor before she dies. Give her \$2,000

a year and she'll be out of money before the year ends. Give her \$100 a month, in advance, and she knows just what to do with it."

There is, to my mind, no evolution in life insurance more interesting than that of the agent. For a long while after the business started he did not exist. He appears then as the zealous expounder of a philanthropic theory or as an impecunious solicitor, or both. Life insurance was once the last resort of the chronic failure; and it was simply a means for the crook.

With the old mad racing after business, with unlimited opportunities for mixing guarantees and estimates, with every encouragement to deceive by shuffling obscure policies, and with a payment for service according to volume, and not in the least according to quality, it is no wonder that the genus developed many undesirable species.

Agent the Survival of the Best.

The agent is good now because he has to be, and because he pays. But not to speak cynically, the agent of to-day is the survival of the best. Take the successful agents now in this country; they are picked men, educated, hard workers, well trained; honest men, ambitious, sincerely desirous of serving their clients. The legislation of recent years has made the compensation of sub-agents higher and surer than formerly; the general agent is underpaid for his capital and administrative work.

They all consult more than formerly the interests of the insured. And partly because they have had to fight together against extinction, and so become friends, and partly because an age of fraud has been followed by an age of honesty, the rivalry between agents of different companies has greatly diminished. The old-style bigot is out of date. Nor is the change confined to the status existing among life agents alone.

There is a growing tendency among life agents to mix in other insurance lines. There is, quite properly, an inherent propensity for men in any given line of insurance to consider that the greatest of all and to look down upon other lines. But, beginning some nine years ago, many life agents were tempted into casualty, and fire and liability, and they keep it up. For myself, I favor this. I value concentration and specialization, but I am not with those who seek other lines than life and seek to prohibit general brokering from entering life insurance. They cannot stem the current; it is too strong.

Betrays Gambling Spirit.

Out of agitation and publicity and general economic conditions, and, here in New York, out of certain metropolitan conditions, the mingling of agents, the alliance of different branches of insurance has come to stay and to develop more broadly; and as I meet this society and respect its fraternal aims, I for one am glad that among the many evolutions of the profession this one also has taken place and in my own generation. We life insurance men, who believe of the superior position of our business as being the pursuit of a mathematical science of venerable antiquity, know little of either the science or its history; and we meet none of the complex every-day problems of the men who upon their individual judgment alone must make rates involving large capital. What we should do is study more and, if you permit us, practise more, the work you are engaged in. And I ought to invite you most cordially to help us in our own work. For we believe it to be the work of high aims and real results. We believe that, as one writer says, life insurance "has done more than all gifts of impulsive charity to foster a sense of human brotherhood and of common interests; it has done more than all repressive legislation to destroy the gambling spirit." We like the sentiment which differentiates life insurance; we like the human element of the hazard of the play we must make upon hearts. We think it all for good qualities and develops character.

A FINANCIAL PROGRAM OUTLINED.

Life Insurance, the Greatest Institution for Systematic Saving, Not Antagonistic but Supplementary to Other Forms of Thrift.

The Life Insurance Solicitor Can Render No Greater Service Than to Encourage a Definite Financial Plan for Years Ahead—America, the Wealthiest of Nations, by Far the Most Extravagant.

Edward A. Woods, vice-president of the National Association and head of the great Equitable Agency at Pittsburgh, is responsible for the following story. Mr. Woods is one of the very few men who can take a page of dry statistics and with a magic pass or two, present a treatise powerful, convincing and fascinating. The "budget" to which he refers is based upon the YEARLY HOME BUDGETS of Earl G. Manning, Boston, Mass., published some time ago in this magazine.—Editor's Note.

The good effect of the war is that when it began all the world, including even America, started to save. Thrift to-day, reckless extravagance, is more in fashion than it has been for years.

Life insurance is the greatest institution for systematic saving there is, and it has more adherents by several millions than even the savings banks which have 17,000,000 depositors. It is not antagonistic, but supplementary, to other forms of saving. But as an institution it encourages systematic thrift more than any other form. A depositor in a savings bank makes a deposit and may intend to make more. But a man taking a life insurance policy makes a financial plan for years ahead, if not for life. One may neglect or forget to deposit in a savings bank next year, but the man taking a life insurance policy will be reminded by premium notice, by the agent who insured him, by the agency, and in various other ways, to make his additional deposits of a fixed amount and on a fixed date of the year, and will be aware that he will suffer some penalty if this financial plan is not continued. How many young men have received their first training in savings through a life insurance policy?

Importance of a Definite Plan.

No one can succeed as they should in anything without a definite plan. Very few Americans have any definite financial plan. There is probably no better service you can render at any time than to encourage young and old, everyone having money to save and an income, to make some definite financial plan for years ahead. The chief purpose of this budget is to show a man so interested in saving that you can sell him life insurance. It will, of course, be a good thing if he will adopt other plans for saving, but no shrewd agent will fail to interest any man worth talking to in a budget and by tactfully explaining it demonstrate to him the wisdom of life insurance as the plan for saving.

This budget we are sending you is the actual experience of 5,000 families who had some definite financial plan. It is a good scale by which anybody can measure whether his disbursements for various groups of items are above or below what they ought to be. It will at least attract his attention to having some financial plan, knowing whether the amount he is spending for rent, food, clothes, incidentals, the amount he is spending for betterment and saving, is above or below what it ought to be. Any financial plan is better than no plan. Notice how as his income increases a man ought to spend less for bare living expenses and ought to have more for betterment and savings. When one has a minimum income, the actual necessities of life consume the larger part of it, but as one's income increases he should have more of the comforts, more of the luxuries, more of the things that will give him a broader, better, healthier, happier and more use-

ful man; and in proportion as he spends less for necessities, he is building for the future.

The old tithing system of the Israelites gave a definite rule by which giving should be followed. Should there not be a definite rule by which one should try to save? Should a man not try steadfastly to lay by a certain percentage of his income? Should the civilized man, in rich America, be like the savage and live only for to-day, and only find out when he reaches old age that he should have provided for this in his youth? Every young man will have an old man dependent upon him—his own old age. And as he provides for or neglects this duty will depend the happiness and comfort of the old man that he will some time be, unless premature death, for which insurance is the only protection, takes place.

Talk Thrift.

Talk thrift in February. You will find responsive listeners, particularly at this time, when the entire country is talking thrift. Booker T. Washington defines thrift as "the ability to sacrifice to-day for to-morrow." "It is better to save to-day than to suffer to-morrow." The form of thrift cultivated by life insurance means character-building; self-sacrifice; unselfishness; care for one's family; desire to be independent in one's old age; forming at least one definite financial plan that will be such a character-builder and so show the advantages of economy and thrift that it will lead to other savings.

America, the wealthiest of nations and having by far the largest income, is the most extravagant of nations.

	No. of Depositors per 1,000 population.	Average Amt. of Deposit
Switzerland	595	\$86.47
Sweden	409	22.77
Denmark	436	67.85
Norway	468	62.42
Belgium	412	14.25
France	368	13.78
Holland	340	9.87
Germany	356	44.04
England	320	12.57
Japan	400	1.27
Italy	232	12.29
United States	109	47.92

(Switzerland 1908 figures; others, 1911, 1912 or 1913.)

Fewer Americans per thousand are saving money than any of these other nations, including "heathen" Japan; America's savings bank deposits average less than Norway, Denmark or even poor Switzerland. Nations, like individuals, are worth not what they get but what they save. Money spent, goes; money saved, grows.

Ten Millions in Poverty.

Notwithstanding the income of American people of \$35,000,000,000 a year—a sum that would equal the entire wealth of Great Britain in less than three years and in a year and a half the entire wealth of France—is it not a disgrace that 95 persons out of every 100 who reach 60 are still dependent upon their daily earnings or on charity for support. And that lacking the habits formed by thrift, 29 persons out of every 30 of the 5 per cent. who reach 60 and retire with a competency, lose that competency before they die? Is it not a disgrace to the American nation that there should be 10,000,000 persons in this country in poverty; that less than one person out of every 20 should have provided for an independent old age; that 90 per cent. of the 3,100,000 widows in the country who reach the age of 65, are either wholly or partly dependent upon the charity of others, and 32 per cent. of all widows are compelled to earn their living—nine out of 10 lacking the comforts of life?

Is there any better remedy for this than the habit of thrift and foresight cultivated by the taking and maintaining of life insurance?

What chance has a young man of ever achieving success who has no definite financial plan for the future? Why should the people of Great Britain, with about one-third the income

of the American people, yet be saving as much as we are; and the French people, with one-sixth of our income, be saving half as much. The very terms in which Americans speak of money show an entirely wrong attitude towards wealth. An American speaks of how much he is worth; an Englishman speaks of his yearly income; a Frenchman of the amount he saves. An American takes pride in the fact that he is a millionaire; an Englishman speaks of his income of 10,000 pounds a year. An American will speak of his gross income last year, and yet be spending all or more of it in living. The thrifty Frenchman, in speaking of making 5,000 francs a year, means that is the amount he saves. Is not the Frenchman's term the correct one in which to speak of money really made? Is money spent made? Would not any corporation that spoke of its gross income as money made be ridiculed by every financier in the country? Why should an individual speak of his gross, instead of his net, wealth, any more than a corporation?

Even the squirrel has more sense than most Americans; the thrifty animal lays by nuts for the winter. "Go to the ant, thou sluggard; consider her ways and be wise," would be a good financial motto for many Americans.

Can you not induce, particularly young men and women and, for that matter older men and women, in the month of February to better insure their future comfort, happiness, perhaps even life, to save money from the first four columns given in the budget and to spend more for betterment and particularly more for savings, by insurance and otherwise?

No family, community or nation is wealthier than the sum of all its parts; and if the American people, with their tremendous resources and income, would combine the thrift of the French, what prosperity would reign in our land!

OFFICIAL NOTICE

HARTFORD, Conn., Jan. 26, 1915.

To the Members of the Executive Committee of the National Association of Life Underwriters.

Gentlemen.—The mid-year meeting of the executive committee of the National Association of Life Underwriters will be held at Hotel Astor, New York City, on Tuesday, Feb. 23, for the transaction of such business as may properly come before said meeting for consideration. The morning session will begin at 10 o'clock and the afternoon session at 2 o'clock.

Several matters of unusual importance are to come before this meeting for action, and I especially urge that every member of the committee be present.

The officers of the Metropolitan Life Insurance Company have again extended a most cordial invitation to the members of the executive committee to be their guest at a dinner in the "Tower" on the evening of Feb. 23, which invitation I have accepted on behalf of the members of the executive committee. Each member will, no doubt, receive the usual individual invitation from the company, and acknowledgment should be made to them so that they will know what provision to make.

I would suggest that you communicate with Hotel Astor and make reservations some time in advance of the meeting so that you may be sure to have proper accommodations.

Very truly yours,

LEE C. ROBENS,

Chairman Executive Committee.

IS THE AVERAGE AGENT IN FULL SYMPATHY WITH THE ASSOCIATION?

Greatest Cause of Indifference Found to Be a Neglect to Take Time or Trouble to Ascertain the Objects of the Association Movement.

Another Class of Agents Will Not Join in a Common Cause, Because of an Unwillingness to Contribute Anything to the Common Good.

Thomas L. Fansler, general agent of the Northwestern Mutual Life Insurance Company at Philadelphia, delivered this address at the recent annual meeting of the Philadelphia association. Mr. Fansler always hits the bull's-eye, and in this particular instance his remarks are unusually interesting and forceful. —Editor's Note.

The topic assigned to me for a brief discussion is a very timely one, and it should have our most serious and unprejudiced consideration.

It is an easy thing to say that the Life Underwriters' Association is a good thing and therefore every life insurance agent should be a member and take an active part in its deliberations. If we are to dismiss the subject with such an indefinite platitude it is little more than a waste of time to put it on our program.

All good men are not interested in all good causes or organizations. It would be admitted perhaps by everyone present that the church is a splendid institution and none of us would desire to live in a community where church privileges were denied to the people; and yet it would be uncharitable and even untrue to say that because some one in this presence is not a church man he is therefore an undesirable citizen or neighbor.

Any organization arises from the ability of a sufficient number of people in any given community, or engaged in any particular line of business, to agree first, on the desirability of such organization, and, second, the definite results to be attained. Life insurance has been more or less prominent in this country for the past 75 years. But only in comparatively recent years, say 25, have life underwriters' associations held anything like a prominent place in the community; and only in still more recent years have such associations had more than a tolerable recognition from the life insurance companies.

The Reasons for Indifference.

We believe that it is safe to assume that if the average agent is not interested in association work, his indifference arises from one of three reasons:

1. He has probably not taken the time or trouble to inform himself of the objects of the association movement and the progress it has made in bettering the condition under which we work.

2. He may be indifferent to his own highest welfare and is, therefore, unwilling to do the amount of thinking necessary to become an efficient life insurance agent or association man.

3. He may be extremely selfish and will not join with his fellows in a common cause, because he is unwilling to contribute anything to the common good.

Fortunately the very large majority of active agents belong to the first group and it is only necessary, therefore, to arouse them to a realization that we are not living up to our high privilege, and that we are not playing this game as becomes real sportsmen—but are actually playing it under the rules of the sport. Do you get the distinction?

The true sportsman never questions the rules and always cheerfully accepts the decisions of the umpire. He either wins modestly or loses gracefully. He is willing to make the sacrifice hit in order that the team may win. No s

with the sport—he either shouts his victory from the house-top or bitterly denounces the umpire for his defeat.

Recently Congress has authorized the erection of the George Washington Memorial Building at Washington. This great building will not only be a fitting tribute to the father of his country, but will add another gem of architectural beauty to the already magnificent group of public buildings which now adorn the nation's capital. Its most significant feature will not be the great colonnade of noble Doric columns, nor its imposing facade nor its lofty corridors, magnificent as these will be; for these features would be in a measure meaningless were they not supplemented and vitalized by the great superscription which is to adorn its noble structure. The thinking men and women of the future will come and read these sentences and go home and teach them to their children, and the republic will continue to live because it is reborn with each new generation. What is this superscription? What is its message? Listen while I tell it to you: "Let us raise a standard to which the wise and honest can repair. The event is in the hands of God." This great monument to the father of his country will remind future generations that he who would perpetuate his name to posterity must embalm it in something more durable than gold and silver. It will announce to all the world that beyond her matchless civilization, her unlimited material resources, her wonderful institutions and marvelous history, America, our native land, the land we love most, honors herself by honoring and magnifying her stalwart manhood and gracious womanhood. It will teach to the world that men do great things because men themselves are great. For after all, man is dominant over all his works; greater than all the books he ever wrote; greater than all the pictures he ever painted; greater than all the buildings he ever erected; greater than any statue he ever hiseled, greater than any government he ever founded or administered.

What men in their individual capacity cannot do, the government, the State, the corporation, or the association—all of which are merely aggregations of individuals bound together in a common cause and for mutual interest and protection—in its collective capacity, can do.

Representing the Best Thoughts.

I believe in life underwriters' associations. They are essentially right in principle. If they are right in practise we would keep them right, if they are wrong in practise, we would set them right. They represent the best thoughts and purposes of the best minds and hearts engaged in this great business of ours. Co-operation means community of interest; and I do not think it an idle dream to predict a time in the not distant future when life insurance men will co-operate where they now compete. We may state it, however, as a fundamental fact that men can never co-operate successfully for any purpose if the sole bond which binds them together is self interest. I wish we might all catch the spirit of that splendid essay of Emerson's on Compensation. Let me quote a few lines.

"A man cannot speak but he judges himself. With his will against his will, he draws his portrait to the eye of his companions by every word. You cannot do wrong without offering wrong. While I stand in simple relations to my fellow man, I have no displeasure in meeting him. We meet as water meets water or as two currents of air mix—with perfect diffusion and interpenetration of nature. But as soon as there is any departure from simplicity, and attempt at halfness, no good for me that is not good for him, my neighbor feels he is wrong; he shrinks from me as far as I have shrunk from him; his eyes no longer seek mine, there is war between us; there is hate in him and fear in me. Has a man gained anything who has received a hundred favors and rendered none? Benefit is the end of nature. But for every benefit you receive, a tax is levied. He is great who confers most benefits. He is wise—and that is the one base thing in the universe—to receive favors and render none."

I have already taxed your patience to a reasonable limit, but I want to suggest something practical if possible, something we can take hold of with a strong grip, something which will make this association not only unique, but an example for others. This can be accomplished when, and only when, we, as managers and agents, can meet under circumstances such as surround us to-night and answer affirmatively and without reservation such questions as the following:

Are we generous enough and broad-minded enough to meet here and discuss in a non-partisan way the really great problems which now confront our business?

Are we willing to participate in a dispassionate discussion of policy contracts, company practises, life insurance investments, agents' contracts, and many kindred topics which have heretofore been excluded from any gathering of a public or even semi-public character?

Can we, and will we, take the advanced ground that the public has a right to know the plain, undistorted truth about my company and your company?

The Public Should Be Informed.

Can we bring ourselves to accept that great fact that when the public is so informed it will be to the advantage of both your company and my company? For then and only then, if mistakes are being made in the field or at the home office, they will be pointed out and corrected.

Can we, and will we, rise so far above the petty practises, which have heretofore made this business a byword—as to pledge with our fellows that we will promptly correct a false impression held by a prospect regarding a competing company or agent—knowing that in making such correction we would lose the business to our competitors?

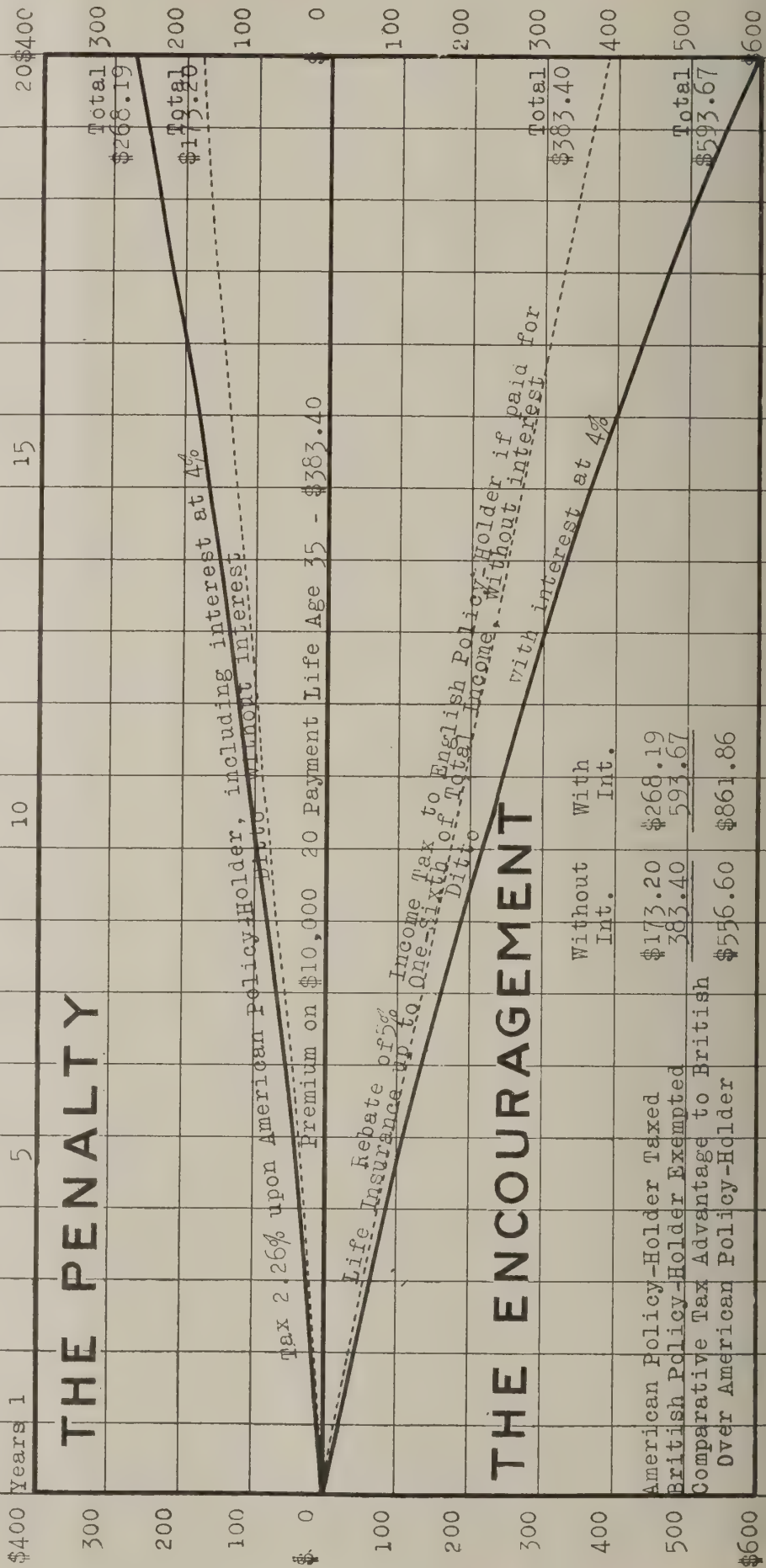
This may sound fanciful and you may remind me that we are living in Philadelphia while my suggestions could be applied only in Utopia.

But I say, if we are honest and this business is not, we should get out of it; but if it this business is honorable and true and beneficial as we teach and preach—then there is no room here for the crook or crooked methods. "Let us raise a standard to which the wise and honest can repair."

Work.

You can't get away from the fact that success in any enterprise entails work. The sale of life insurance sometimes looks like "easy money," and it is sometimes. The exceptional case looks too easy; it insidiously leads a good man to waste so much of his time that he soon becomes a poor man, literally as well as figuratively. To close a \$5,000 or \$10,000 application on the first interview—to make in twenty minutes several hundred dollars, which your neighbor works eight hours a day for weeks to earn, is stimulating, and yet it has the danger of all stimulants—the reaction. The salesman who flatters himself that he has used up as much ability and brain energy in his half hour as the other fellow does in six weeks, and that he has to recuperate, is only fooling himself and impairing his efficiency. Salesmanship requires an honest day's work, week in and week out, to bring real success. One or two or three big cases do not make a life insurance career. There are many disappointments, many failures, much hard work, just as in every other successful career, but when you have succeeded, it is a great career and well worth the price. If you are built for success in life insurance or anything else, you've got to be willing to pay the price in work.

Pascal, the philosopher, said: "The virtue of a man ought to be measured, not by his extraordinary exertions, but by his every-day conduct."—*The Northwestern National Agent.*



GREAT BRITAIN, recognizing how life insurance saves burdens to the State, encourages its citizens to insure themselves by exempting from England's principal tax—the Income Tax—all paid for life insurance up to one-sixth of one's income. The British tax upon an income of \$10,000 a year is 5%. Therefore, any amount paid for life insurance by one having such an income would be exempted 5% on that amount. America, on the other hand, taxes life insurance—averaging the taxes of all States—an amount equal to about 2.26% of the total premiums paid. Comparing the taxation policy of the two countries, upon an income of \$10,000 there is a comparative discrimination against life insurance by America, as compared with Great Britain, of 7.26%, Great Britain's 5% exemption plus America's 2.26% tax; or, upon a 20 Payment Life policy, at age 35, as shown on the other side, a difference in 20 years of \$556.60, or, at 4% interest, \$871.86. England ENCOURAGES and America DISCOURAGES what is so great a factor in promoting thrift and providence and in reducing dependency and delinquency, with all their consequent burdens upon the State.

Life Association News

A MONTHLY JOURNAL DEVOTED TO THE INTERESTS OF ALL
LIFE INSURANCE AGENTS.

PUBLISHED BY THE
NATIONAL ASSOCIATION OF LIFE UNDERWRITERS

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ARTICLE II OF THE CONSTITUTION.

"The object of this association shall be to advance the best interests of the cause of true life insurance."

Address all communications to

EVERETT M. ENSIGN, Editor and Manager.

Telephone, 4244 John.

LIFE ASSOCIATION NEWS, 56 Pine Street, New York City.

This newspaper is owned by the National Association of Life Underwriters, unincorporated, a voluntary association; Hugh M. Willet, president, Fourth Nat. Bank Bldg., Atlanta, Ga.; J. Henry Johnson, secretary, Lee Bldg., Oklahoma City, Okla.; H. Wibirt Spence, treasurer, 306 Penobscot Bldg., Detroit, Mich.

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THE RULES OF THE GAME.

Pitiless Publicity is the final test of public action. The exception to the rule has yet to be discovered. The light of day must penetrate to every nook and corner of both public business and private business. It is the law and nothing can escape it.

Funds, foundations and endowed institutions, the beneficent purposes of which have hitherto been apparent and undoubted, are now under the scrutiny of high-priced experts whose investigations are brilliantly illuminated by the powerful searchlight of the public press.

At the present moment the Federal Commission on Industrial Relations is investigating the rights, powers and functions of such self-perpetuating organizations as the Rockefeller, Carnegie and Sage foundations. Before us in the morning's newspaper the leading story is to the effect that the Bureau of Municipal Research of New York City was just attacked by a former director of the institution at a session of an investigation conducted by the Federal Commission.

Truly, out of joint with the times are those of us who are laboring under the impression that the Armstrong Investigation was a sterilizing process which would forever after render the institution of Life Insurance immune from the attack of the muckraker and the political demagogue. Life Insurance may still be the object of the inquisitive eye of an overwrought and apprehensive public.

On January 29, President Wilson addressed the Electrical Railway Association, using as his text "The Rules of the Game." We herewith reproduce that portion devoted to publicity:

"There are, therefore, I suppose, certain rules of the game. I will mention what seem to me some of them. I have already mentioned one of them by way of illustration. FIRST OF ALL IS THE RULE OF PUBLICITY, not doing anything under cover, letting the public know what you are doing and judge of it according as it is. There are a great many businesses in this country that have fallen under suspicion because they were so secretive, when there was nothing to secrete that was dishonorable.

"The minute I keep everything in my pocket and will not show anybody what is there, they conjecture what may be in my pocket; whereas, if I turn my pockets inside out, the conjecture is, at any rate, dissipated. There is no use inviting suspicion by secretiveness. If a business is being honorably done and successfully done, you ought to be pleased to turn it inside out and let the people whom you are inviting to invest in it see exactly how it is done and with what results.

"Publicity, which is required in sport, is re-

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PACIFIC MUTUAL LIFE INSURANCE COMPANY

103 Title & Trust Building, Portland, Oregon

405 Hoge Building, Seattle, Washington

quired in business. Let us see how you are running the game.

"Then in the second place, there is a full equivalent for money you receive. The full equivalent in service, not trying to skimp in the service in order to increase profits above a reasonable return, but trying to make the profits proportioned to the satisfaction of the people that you serve. There isn't any more solid foundation for business than that.

"If you thoroughly satisfy the people you are serving you are welcome to their money. They are not going to grudge it because they will feel that they are getting a quid pro quo—they are getting something such as was promised them when their money was asked of them."

FIRST OF ALL IS THE RULE OF PUBLICITY. Is it possible to find a stronger indorsement of the Education and Conservation propaganda of the National Association? While it is true that the term "Publicity" was eliminated in the work of the Committee on Education and Conservation, it was done simply because the word "Education" was more comprehensive, and to indicate that publicity could be secured by educational methods. Publicity, per se, is not always directed in the right channels and frequently its purpose is far from being commendable. The word is quite often associated with mere clap-trap.

Taken, however, in the sense expressed by President Wilson, it is indeed the first rule in the game. Stripped of its shoddy coat of many colors, the word is now clothed with appropriate dignity. Moreover, it has taken its proper place in our economics, standing guard, as it were, at the gateway of all American business institutions.

Educational publicity requires a special and expert knowledge, intelligent direction and successful management. All these in turn necessarily depend upon financial support. The Life Underwriter who refuses to contribute to the fund now being raised by this association on the basis as outlined by the National Committee on Education and Conservation, flunks at the first rule of the game.

Notwithstanding the mournful wails of a few pessimists, there is every reason to believe that there will be a general and representative response to the local funds and consequently to the National fund. Of course, there will be in this movement, as well as in all other movements where there is a community of interest, the spineless weakling who stands aloof contributing nothing but cheap advice, and who when success is attained demands a share of the benefits. He is a brother to the man who is equally penurious and narrow-minded, who when all does not go well vociferates, "I told you so!"

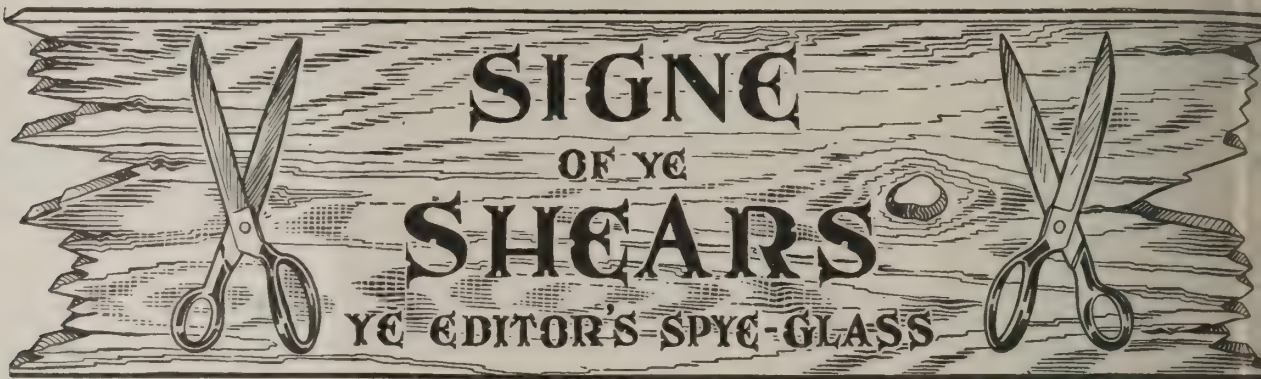
Let us be charitable to the poor fellow who sneaks in under the circus tent. He is "more to be pitied than censured."

**KEEP
THESE
DATES
IN
MIND**

**AUGUST 10, 11 and 12,
1915**

**The Twenty-sixth Annual Convention of
The National Association**

SAN FRANCISCO



The Pittsburgh Resolution on Twisting.

Once in a great while a resolution is not a resolution; it becomes an education. Such was the resolution on Twisting, unanimously adopted by the Pittsburgh association at its January meeting. While broad and comprehensive in its purpose and treatment, it was conspicuously devoid of the usual diffuse but well phrased generalities which are so frequently associated with similar declarations of principles.

It defines causes and effects in bold relief. It points out how an agent, with good intentions perhaps, but neglecting a critical analysis of the situation, may to a very great extent, and sometimes utterly, vitiate the protection originally possessed. It is an eye-opener to the all-too-many agents who do not themselves see the harm they do to their own cause.

But comment in connection with the resolution is necessarily both lame and tame. It requires no support; it needs no introduction; it is sufficient unto itself. This is it:

Whereas the National Convention of Insurance Commissioners, in recent resolution reciting that "great injury to policyholders result from the evil practice of twisting and pointing out the difficulty of enforcing the laws against it, calls upon the life insurance companies and agents for further aid toward such enforcement; and

Whereas, under Pennsylvania law as enacted with the express approval and support of this association, it is a misdemeanor, punishable by revocation of license and by a \$500 fine or six months' imprisonment or both, for any company, agent or other person to induce or attempt to induce, a policyholder to discontinue his policy by the use of "misleading representations or incomplete comparison;" be it, therefore,

RESOLVED, That the Pittsburgh Life Underwriters' Association declares hereby, as it has done repeatedly in the past 29 years, its condemnation of the dishonest and disreputable practice of twisting in all its forms, including not only the cruder methods of attack on the policy or company, but also the more subtle and plausible attempts to induce the policyholder to take his cash surrender value and use or invest it himself and apply its assumed earnings to carry new insurance in another or the same company, under the delusion that this is an advantageous way to provide a total estate larger than his present policy;

As to which attempts, the association deems it timely to point out that they can be made to seem plausible only by the use of misleading and incomplete statements that violate both the criminal law of the State and the scientific laws by which legal reserve life insurance exists; statements, namely, that ignore or distort essential factors such as the following:

1. The interest that this cash value or reserve is now earning in the company's hands, ranging about 4½ to 5 per cent. or more (not to be exceeded elsewhere, with any such safety); whereof 3 or 3½ per cent. is applied to carry the insurance and swell the reserve itself, and the balance toward the dividends in cash or additional insurance;

2. The initial costs already once paid under the old policy, and its yearly progress in lower cost or larger returns; also the relatively lower expense element and larger interest element, the older it grows;

3. The secure status of the old policy, self-protected against lapse; well advanced in its premium-paying period (or, in many cases already full paid); its yearly increasing values and dividends.

4. The surrender charge on the old policy; or its accrued dividends not yet payable; or its lower reserve basis, giving a larger paid-up or extended value per dollar at present, and needing less cash to pay up in full;

5. The initial costs (including the twister's tainted pay to be paid all over again under any form of new insurance; also, the higher premium rate at present age for new policy of the same kind; and the relatively high expense and smaller interest elements for years to come with correspondingly smaller dividends; or, if on a low premium basis (as usually), the same relatively high insurance costs in the earlier policy years; and, in addition, the longer period to pay through and the proportionally smaller values and less advantageous status generally.

6. The uncertainty that the new policy can and will be carried through future years and unknown conditions, to the point now reached by the old one, to say nothing of carrying it beyond that point, so much farther into the owner's old age—an uncertainty sharply emphasized by the recorded lapse rate, especially among newer policies;

7. The supreme security of his principal as an undivided share in an aggregate of many millions, earning 4½ to 5 per cent., never below par and always available for emergency use; and the comparative insecurity and unavailability of his single fund, sunk in his business or invested and reinvested by itself; which insecurity will more than offset any higher interest rate he may think he can realize himself—an insecurity sharply emphasized by the recorded percentages of business failures and of dependent old men, once well off—an insecurity that will continually endanger both his cash value withdrawn and his new insurance supposed to be carried thereby; and be it

RESOLVED, That these subtler forms of twisting are to be denounced as even more dangerous and treacherous than the cruder methods;

Because, first, their very plausibility not only deceives the victim more readily, but has even misled some honest agents into a course that is actually dishonest, whether they know it or not; and

Because, second, any agent of a regular company who advises men carrying life insurance to withdraw the reserve use or invest themselves is actually denying the basic principle of all scientific, level-premium life insurance, including his own; and is thereby giving the most effective kind of aid to those who are still deluding

public with unsafe schemes of so-called life insurance having various faces but always the same voice crying, "Keep your reserve in your own pocket!" And be it RESOLVED, That it is the duty of any member of this association, who may learn of any violation of said law against twisting, to report the facts and evidence to the law and Comity Committee, to the end that every well-founded case may be taken before the State Insurance Department and the criminal court, for the due enforcement of said law.

Unsolicited Aid from the Newspapers.

To overestimate the power and influence of the daily newspaper is a difficult task. To set forth concisely and accurately just appreciation of its value is likewise an act beset with problems of no small proportions. We are forced to this confession of our limitation because the subject of our discussion cannot be measured, weighed or appraised by any established standards.

Fortunately for us, one great mind evidently gave this latter considerable study, and succeeded in expressing, in a few words, certain fundamental truths which strikingly serve to emphasize the almost incredible force of the press. It was a man who said: "The newspaper is the great educator of the nineteenth century. There is no force compared with it. It is book, pulpit, platform, forum, all in one. And there is an interest—religious, literary, commercial, scientific, agricultural or mechanical—that is not within its grasp. All our churches, and schools, and colleges, and asylums, and art galleries feel the quaking of the printing press."

A truly remarkable summary, and one which admits of no argument. It therefore behooves us to give more than passing attention to a newspaper which, without hope of congratulations from the cashier's department, devotes a portion of its editorial columns to the benefits which accrue from life insurance. We have in mind an editorial which recently appeared in the Dayton (O.) *News*, which is owned and controlled by ex-Governor Cox of Ohio. It is a direct and earnest appeal to the man who feels the need of strict economy, and advise which is far from being amiss during the present period of business depression. To quote:

Whatever else you are compelled to give up during this period of readjustment, don't give up your life insurance. It is a hard-times proposition—that is, you need it more when business is below normal than you do when things are coming your way.

In this modern-day of uncertainty insurance is the one thing that a fellow can count upon in adversity. Other investments may prove of no account. Many a man has believed himself to be in good financial condition, only to awaken in the morning to find that he wasn't worth a cent. But the man who is insured is absolutely certain that in the event he is called to the Great Beyond those dependent upon him will have something to count upon.

Not only should one manage to keep up his insurance at this time, but he should take more of it, if it is at all possible. For the man unskilled in handling money, there is no other investment any safer—and even the fellow who supposes to know all about handling money is frequently mistaken. If there had not been a place in the economy of things for the insurance companies they would long ago have been forced out of business.

The Jackson (Miss.) *Daily News* is another daily which serves special mention. It urges the young man to start a New Year right by insuring his life. Its message, which appeared in its editorial department, is a series of excellent arguments why such action should be taken. It is herewith reproduced:

Few men in this 20th century time have reached the age of 40 years who did not regret that they had not taken out more life insurance 10, 15 or 20 years earlier.

We hold no brief for the life insurance companies. They are business concerns, for the most part organized

and run for a profit, and able to advance their own arguments and handle their business.

We are speaking in the interest of the young man of to-day and advising him to take out life insurance.

From the standpoint of the young man there are three points that life insurance particularly emphasizes:

First—It is an investment which continues to grow more valuable as the years go by and whose safety is almost beyond question. And the younger the man is when he begins the investment, the cheaper and the easier it is to carry that investment.

Second—It teaches habits of frugality and saving. It helps make a business man. It is a good certificate of character. It is an affidavit of physical and mental soundness. It is a recommendation for settled habits and sound business sense.

Third—It safeguards the future. If the young man has family dependents it means a roof and hearthstone and bread and butter for them when he is gone. If he has only himself to care for, it means a fund to draw upon in time of need, a spring water in a desert land, a safe anchorage in time of storm.

Ask any man of 40 or more to-day what he thinks of his life insurance and he will tell you he values it more than any other investment he ever made. Ask him why he did not take more of it and he will tell you it is one of the regrets of his life that he did not take more life insurance when he was more able to carry it than he is to-day.

The best business move that any young man of 20 years can make to-day is to take out a life insurance policy. There is not one of them in 500 who is not able to carry a policy for at least \$1,000. He can pay the premiums on it without even noticing that the money is gone.

Our advice to all young men is: Insure your lives. Start the New Year right. Twenty years from now you will rise up and bless the life insurance agent or other person who persuaded you to do it.

Philadelphia Association Sends Out Warning.

The Philadelphia association, through an official communication sent out by the secretary of the association, recently called attention to the fact that John A. Dixon, alias John P. Leslie, alias Leonard Davis has been traveling around the country, obtaining advances from different agencies. He is about 30 years of age, and weighs about 180 pounds. He has dark brown hair, brown eyes, very regular features, ruddy complexion, smooth face. He has a very active and somewhat nervous manner, particularly when sitting.

He apparently has had considerable insurance experience, is a good talker and states that he was until recently connected with the Australian Mutual Provident Society, of Melbourne, Australia, furnishing recommendations from that company and other business firms in that city. In view of developments in Philadelphia, it would be of interest to any general agent to whom this man applies, to communicate with John William Clegg, 307 Penn Mutual Building, Philadelphia, who was until recently secretary of the Philadelphia association. Mr. Clegg can furnish some interesting information concerning the operations of Dickson-Leslie-Davis.

Up-to-the-Minute Men.

Or, rather, up to the second. Nowadays the struggle for existence is so severe, competition is so keen and there are so many brainy men waiting for your job, that if one hopes to succeed and to come out on top of the scrimmage he must be not only up to date, but also up to the very last second in point of efficiency. He can not afford to lag, he must not get weary. If he does he is lost.

We mean you, Mr. Manager—

We mean you, Mr. Agent.—*Federal Life.*

WHO IS AN OPTIMIST?

What He Is and What He Does—A Talk with Ginger, Enthusiasm and Inspirational Thrills.

By Fred W. Tasney, Assistant Secretary, Prudential Insurance Company. Delivered Before the Life Underwriters' Association of Western Massachusetts.

It is doubly a pleasure to meet with you to-night. I unblushingly confess to you that I am not in the class of the Maine farmer who, walking down a country road early in the morning, during the middle of the week, was accosted by a neighbor with: "Where be you goin' so early in the mornin', with your store clothes on, Hiram?" To which he replied: "Abner, I be goin' down Bangor way to get drunk, and God knows how I dread it!" On the contrary, I have been more than anxious to get here. I have had as much curiosity to look into the smiling and well-fed faces of an aggregation of live wires, who were optimistic enough to take a chance of being bored by a resident of Mosquitoville, as the old maid who shied at a bachelor's dinner.

I trust that at the close of the talk you may not feel as did the editor who, in returning a manuscript to a would-be contributor, wrote laconically: "Returned. Cannot use for the reason that what is good is not original, and what is original is not good." I further hope that you may feel about it as did the old Scotch elder, who, upon being asked how he liked the dominie's sermons, said: "Ah, weel, you'll no' get me to say anything against them, for they're a' very guid, but I'll joost remark this much: The beginnin's ower far frae the end, and it wad greatly improve the force o' it if he left oot a' that cam' in atween." But, in turn, you have the same privilege as the man who was attending a performance that, to say the least, was a bit poor. He was seated between two excited individuals who kept up a running fire of comment as to the distinctive rottenness of the show. To all of which he made no comment. Finally one of them, thoroughly exasperated, turned to the quiet chap in the center, and said: "Excuse me, partner, but do you consider this a good show?" To which the reply was: "No, I can't say that I do." And then, feeling that possibly some explanation was necessary, he remarked: "I am placed in a most peculiar position. I am in here on a pass, and therefore did not feel that I could, in fairness, comment unfavorably upon the performance; but if it will be any satisfaction to you and will ease your mind, I will say that if the show becomes any rottener I am going out to the box office, buy a ticket, and come back here and raise hades."

The subject of my talk this evening is "The Optimist—What He Is and What He Does. The Optimist has been variously described as the man who, of two evils, accepts neither; who can detect the silver lining back of the heaviest cloud; as one who can take the lemons which are handed him, and by deftly mixing therewith a little of the sweetness of his own disposition, turn out an Al brand of lemonade; as the fellow who sees the doughnut but never the hole, and as the chap who can extract all of the honey from a kiss without worrying about the microbes.

He was an Optimist, who, being informed by his friend and fellow passenger that the ship was in danger of sinking, said: "What do we care, we don't own the boat." The hod-carrier was an Optimist, who, describing his labors, said that all he had to do was to put a few bricks into a little wooden box and carry them up a ladder to the top of the building, while the fellow at the top did all the work.

He was an Optimist, who, shipwrecked upon a cannibal island and in hiding until starvation drove him out, finally crawled to where he saw smoke rising, hoping against hope that he would not be captured, killed and eaten, and who, when he heard the savage chief yell: "What in h—— did you play that card for?" dropped upon his knees and fervently exclaimed: "Thank God, they are Christians!"

The Optimist glories in the sunshine and revels in the rain; to him the starry vault of heaven is a deeper blue, the silvery

cloud has a softer sheen, the trees and the grass are more verdant, the songs of the birds are sweeter, and the flowers infinitely more beautiful.

The Optimist's smile, as it spreads from ear to ear, is a grouch killer, while the infection of his laugh and the contagion of his handshake would transform the deepest indigo of dejection and despondency into the flaming red of confidence and courage, while his cheery "Good Morning! It's a dandy morning, isn't it?" is a rapid-fire gloom dispeller. He is the bane of the doctor, for he is always "feeling fine," and he is the jinx of the financial bear, for business is always "great!" and even when the bottom has dropped out of everything and old "B'r'er Wolf" is scratching at the door, where everybody else is costumed in sackcloth and decorated with ashes, and their lamentations out-jeremiah Jeremiah, he suddenly bobs up, chirping: "Don't worry; the Lord will provide," and then, with a grin and a will, jumps in to help the Lord to provide.

The Optimist is a believer in Opportunity, and if he meets her in the highway, grasps her with a strangle hold; and you can bet that if she knocks, however lightly, at his door, the hairspring which he has provided swings it wide open so that she may enter and abide with him.

The Optimist is not to be confused with the theorist, for while he admires to the full the gorgeousness of the peacock's feathers he is hard-headed enough to know that there would be no feathers without a gizzard, and that a gizzard is a useless appendage without grit.

A well-known lecturer has described the chap I have in mind as a "salubrity," in that his qualities of head and heart surround him with an atmosphere of salubriousness.

In brief, the Optimist is a thirty-third degree, past grand, a wool and a yard wide, guaranteed not to rip at the seam of ravel at the edge, upstanding specimen of humanity that will gladly walk four blocks out of our way to meet, and who will welcome to our homes and our hearts.

We have briefly reviewed what the Optimist is. Let us consider now what he does. All of the big things which have made for world progress have been planned and carried to successful conclusion by Optimists. Was it exploration, Columbus or a Livingston, of course, not overlooking the li coverer of the River of Doubt, and I was on the point of adding Dr. Cook. Is it engineering, a De Lesseps or Goethals or a Fulton. In mechanics, a Watts, a Stephenson. In the industries, a Whitney, a Howe, a Jacquard or a Goodyear. In war, an Alexander, a Washington or a Napoleon. In electricity, a Morse, an Edison or a Marconi. In aeronautics, Langley, a Wright, or a Zeppelin. In railroading, Huntington, a Hill or a Harriman; and in life insurance, I may be permitted, a Dryden or a Hyde, each of whom, from nothing and in the face of heart-breaking opposition and difficulties, built up financial institutions among the largest in the world.

The spirit of '76 was optimism, whether in your great commonwealth of Massachusetts or in tight little Jersey, and it had not been rampant during the rigors of Valley Forge or amidst the ice floes of the Delaware, at Concord and Bunker Hill, there would have been no great and wonderful country such as we to-day are privileged to enjoy.

The Optimist in every community and in every movement is the leader. He keeps the wheels of commerce revolving. He is foremost in religion, in business, in art, in letters; where anything is to be done, done quickly and done well, commend me to the Optimist in whose lexicon there is no such word as "Can't," and who believes that success comes in "Cans."

It was a New England Optimist who, realizing the evils of things, the abuses that had crept into life insurance, first inaugurated the Association of Life Underwriters, and it is the same kind of men who, to-day, are the life of the National and of your local association.

The Optimist is a mighty comfortable sort of chap with whom to do business, in that he sees always the opportunity and by some subtle arrangement, or disarrangement, of the

laws of refraction, never sees the obstacle. If he is in the business of life insurance the plans of his company are a combination of the wisdom of Solomon and the three wise men of the East, combined with the philanthropy of a Montiflore or a Peabody and the financial genius of a Colbert or a Rothschild. If his company operates upon the participating plan his dissertation upon the regular and constantly increasing dividends is a delight, a joy and a liberal education in actuarial and mathematical gymnastics, while from the point of imagination and optimism Jules Verne was the veriest of amateurs, and the Arabian Nights a child's primer.

If, in turn, his company is committed to the non-participating plan his heartfelt sorrow and regret that fellow-man could stoop so low as to sell, and anybody not suffering from incipient paresis could be tempted to buy, options on futures instead of protection at guaranteed net low cost, is second only to his bitter scorn.

If his company joyfully announces an increase in its commissions to its field men he rushes home to breathlessly announce to Mary that the sealskin, diamond lavalliere and limousine are in sight. If, on the contrary, his company tremblingly announces a reduction in commissions, he promptly scents a lower expense rate, with correspondingly higher dividends, rejoices in the larger volume of business which will result and rushes out to spread the glad tidings.

If prosperity is rampant and every mother's son possesses a roll which would choke a cow, he convinces the opulent prospect that, copying after Joseph, that Patriarch of old, the proper caper during the years of plenty is to prepare for the lean years and the proverbial rainy day.

If, in turn, panic stalks through the land, dollars are scarcer than a piece of chicken in a church salad and money is tighter than an affinity's hug, he draws a picture for the prospect of the condition of the wife and kiddies without insurance protection that would make a turnip reek with blood and a crocodile weep itself into hysterics.

Like the advertisements of some patent medicines which are equally efficacious for housemaid's knee, preacher's sore throat or raising a luxuriant hirsute adornment on a billiard ball, he has a winning argument for each of the standard fifty-seven reasons why the prospect either does not want it at all, or at least, not just now. He fits his policy to his prospect like a skin to a sausage. He does not underinsure, nor does he overload, but he does keep in close personal touch with each client, offering "service," and, of course, writes additional policies for them as their increasing prosperity makes it possible. He is a salesman, an actuary, a guardian, an adviser, a banker, a preacher, an angel of mercy, and ever and always a corking good fellow.

The Optimist at the home office is a cause for ghoulish glee to the field man. If he is in the medical director's chair he is not brooding over the invalids and cripples which he fears from day to day are being stacked up for him, and he is not accepting and, in turn, declining applicants so that those rejected by the company are constantly officiating as pall-bearers at the funerals of its policyholders. If he is in the cashier's cage he is not worrying that premium returns, like riches, are taking to themselves wings and flying away in close communion with the collector. If in the agency department he is not beseeching, by all the gods and little fishes, some earnest, persistent solicitor, who is now working 12 hours a day, to "get out and put in four hours' solid work per day, and to make at least six calls." And if he is that man of mystery, the actuary, he almost humanizes the handiwork of his craft.

But if the Optimist at the home office is cause for congratulation, what V. C. or iron cross or laurel crown shall properly fit the skypiece of the Optimist in the field who, when he receives notice of a rejection, does not, "pronto," write to the president, sarcastically requesting information as to whether "Dr. Pinheadus" is now passing upon risks, calling attention to the family record of the declined that makes Methuselah and his family seem like infants in arms; a physical record that resembles an "after-taking" advertise-

ment, and a moral and financial hazard, or rather lack of hazard, that in comparison makes Sir Galahad look like a wild oats merchant, and the Rockefellers like little brothers of the poor; who, when asked for just a few more applications to help out his company's record, does not come back with a tale of woe that makes Job look like a howling enthusiast; the fellow who don't pepper the home office with a bunch of queries that drives the entire actuarial department to grape-juice in lady-like language and rending of their garments.

The Optimist, whether at the home office or in the field, is loyal to his business, to his company, to his clients, to his friends and to himself, and he helps mightily in making life worth living in this topsy-turvy, but after all, pretty good old world.

And now, in closing, if you will agree with me that in this year of our Lord, 1915, we in these United States have everything to tempt us to be Optimists: bountiful crops, a stable government, only hearing the echoes of a terrific war, surrounded by friends, and with prosperity, apparently, on the very threshold; and if you will remember that if you laugh the entire world will laugh with you, that you cannot look a smiling man in the face and hold a grouch, that a recipe for having friends is to be one, that it doesn't pay to scold, boast, parade of "belliack;" but that to live, love, laugh and do things worth while pays enormous dividends; and if, in addition to this, you will be tactful, enthusiastic, and will work consistently and persistently, success in the largest possible measure will be yours.

THE FEDERAL INCOME TAX AND RENEWAL COMMISSIONS.

Chas. Jerome Edwards Brings Suit to Recover Tax.

In the matter of the Federal Income Tax, as affecting renewal commissions on business written prior to March 1, 1913, a suit has been brought by Chas. Jerome Edwards, of Brooklyn, N. Y., to recover an income tax on such renewal commissions paid by him under protest. The case has been brought in the United States District Court of Brooklyn, N. Y., and a demurrer has been filed by the Government, and it is expected that the case will be argued within the next week or so. The decision will be of great interest to the entire life insurance fraternity interested in this phase of the case.

On Dec. 9, 1914, an interesting decision was handed down by the United States Circuit Court of Appeals of the Eighth Circuit, in the matter of Baumbach, Collector, vs. The Sargent Land Co., the case involving the payment of corporation income tax on royalties received from ore land. In this case, which the Government lost, both in the District Court and in the Court of Appeals, the contention that the royalties were practically a diminution of capital and not income, was sustained, and the Court, in passing on the case, distinguished between "receipts" and "income." The decision is lengthy, but we believe it will be quite helpful to Mr. Edwards' counsel in the case that he has pending.

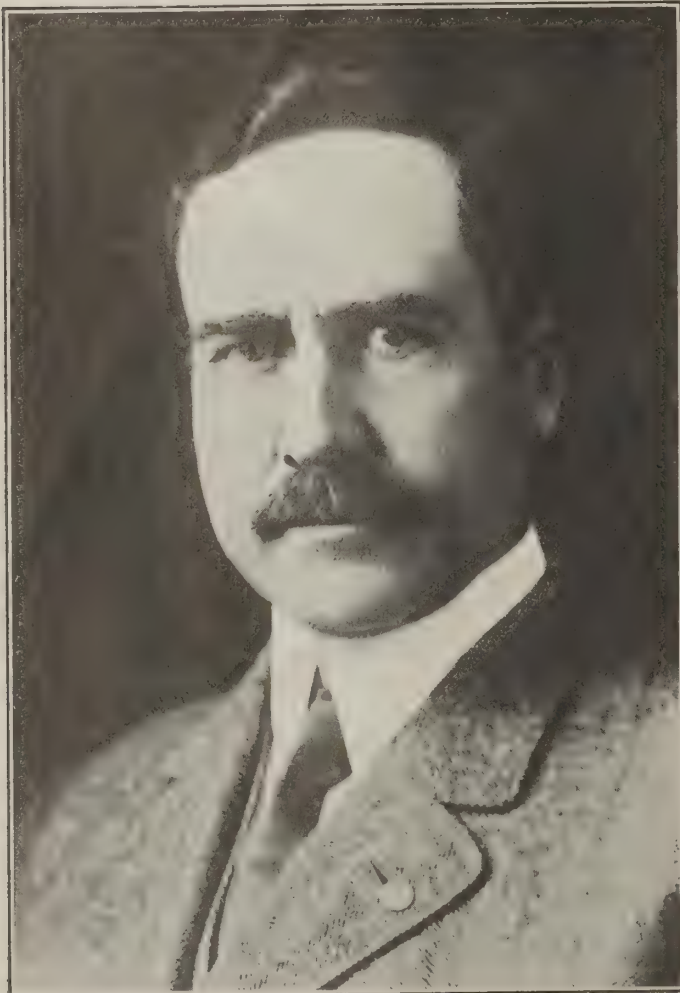
It is suggested that agents whose income tax for 1914 will be affected by the Government ruling of July 28, 1914, No. 2011, ruling that renewal commissions are subject to the tax for the year during which they are received, should until the courts have decided otherwise, comply with this ruling, but that they should, in their returns for 1914 on or before March 1, 1915, state separately the amount of renewal commissions received during 1914 for business written prior to March 1, 1913, and also note a protest and attach same to their return, stating that they are advised by counsel and believe that such renewal commissions are not subject to the tax, and if in June, they pay the same, to accompany their payment by a written protest against the validity and legality of such tax.

Information as to the progress of the case, from time to time, will be published in this journal.

CHARLES C. MOORE AND HIS RECOGNITION OF LIFE INSURANCE.

President of the Panama-Pacific International Exposition
Features Convention of National Association—
A Biographical Sketch.

One of the big men of the Pacific Coast is Charles C. Moore, president of the Panama-Pacific International Exposition, which, as is generally known, is to be held in the city of San Francisco to celebrate the completion of the Panama Canal. The attention of life insurance men has been directed toward Mr. Moore, largely because of the work he has done in connection with the World's Insurance Congress. As announced in the January number of this magazine, Mr. Moore has, through the directors and chief of special events, caused to be set aside Aug. 12 as "National Association of Life Underwriters' Day." In view of Mr. Moore's official recognition of the National Association in this way, it may not be amiss to review Mr. Moore's career.



CHARLES C. MOORE.

While in no way associated with the insurance business, it did not take him long, after becoming president of the exposition, to grasp the tremendous significance of insurance in the affairs of men. As a consequence, Mr. Moore has granted life insurance recognition never before granted in a national or international undertaking.

Mr. Moore is one of San Francisco's most representative citizens, and is known throughout the entire Pacific Coast as a man of rare administrative ability. He is a hustler by nature, a good organizer and a man of inexhaustible energy.

Mr. Moore was born in Alpine, Schuyler County, N. Y., July 12, 1868. His father was a pioneer of 1849 in California and his son came to the Golden State as an infant. He was educated at Benicia and afterward attended the St. Augustine College of that town, graduating when not yet 18 years old.

He worked in the iron shops of the old San Francisco Tool Company; later he established the firm of Charles C. Moore & Co., engineers, and put in electric power plants all over the Coast, until now he has branch offices in Seattle, Portland, Los Angeles, Spokane and many other Western cities; also one in New York. The big Huntington Electric Power Plant in southern California is one of the plants installed by his company.

Mr. Moore is chairman of the Ocean Shore Bondholders' Committee; one of the directors of the Anglo California Trust Co.; the California Insurance Co., as well as several large Eastern concerns. He was president of the San Francisco Chamber of Commerce, and organized the Chamber of Commerce of the Pacific Coast cities into a compact organization.

In 1906 he was chairman of the Citizens' Health Committee, co-operating with the Government in the crusade against the infected rate in San Francisco, which made this city the cleanest in the world.

In 1909 Mr. Moore was sent to Europe in the interests of the Portola festival, and succeeded in getting foreign powers to send warships to San Francisco for the festival.

He was closely identified with the beginning of the exposition, having served as chairman of the finance committee during the time the great subscription was raised, and was selected president of the Panama-Pacific International Exposition Co., May 10, 1912.

He has three children, two girls and one boy. He owns orange and olive orchards and has a beautiful country place at Santa Cruz. He is fond of golf, motoring and yachting.

The Annual Meeting of the New York Association.

Seldom, if ever, has the New York association succeeded in securing a more impressive group of speakers than those who have consented to address the Annual Meeting of the association, to be held on the evening of the 24th inst., at the Hotel Astor. Among the guests of honor are Senator Lawrence Y. Sherman, United States Senator from Illinois; Dr. S. S. Huebner, of the Wharton School of the University of Pennsylvania; Wm. Brosmith, Chief Counsel of the Travelers Insurance Co., and Hon. Frank Hasbrouck, Insurance Commissioner of the State of New York. These will be the principal speakers. But there will be other prominent guests and among them will be Darwin P. Kingsley, President of the New York Life, and James G. Batterson, Resident Director of the Travelers Insurance Company.

The committee who are making arrangements for the meeting are particularly optimistic with regard to the attendance and it is suggested that those who desire to attend the meeting make early applications for reservations. Tickets will be \$1.00 and may be obtained from Perez F. Huff, 84 William street, New York City.

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MARCHING THROUGH TEXAS.

National Secretary J. Henry Johnson Rounds Up Life Underwriters in the Southwest, Organizing Two New Associations.

Taking his cue from a tune which was popular in the North about 50 years ago, National Secretary J. Henry Johnson, of Oklahoma City, has, figuratively speaking, composed the music and written the words for a new song—"Marching Through Texas." Texas has been conquered by the life underwriters' movement.

The facts of the case are these: Mr. Johnson was the guest of honor at a banquet given by the North Texas association, in the evening of Jan. 28, at the Adolphus Hotel, Dallas. Over one hundred life underwriters listened to one of the most enthusiastic addresses that have ever been given in the history of the association movement in the Southwest.

In company with Orville Thorp, W. G. Harris, A. C. Biggers and A. L. Davis, of Dallas; B. F. Myers, of Fort Worth, Mr. Johnson went to Houston, where the South-west Texas Life Underwriters' Association was organized, with a charter membership of 31.

The following were elected as the first officers of the Houston association: C. W. Nelson, president; Guy MacLaughlin, first vice-president; J. Frank Montgomery, second vice-president; Warren R. Ellis, secretary-treasurer. Besides the above the following were present: W. G. Harris, president, and A. L. Davis, secretary, of the Texas association; B. F. Myers, Fort Worth; A. C. Biggers, Dallas; Charles Boedeker, A. Freed, R. E. Miller, J. R. Thompson, B. A. Talbot, lawyer A. Harvey, A. S. Johnson, L. S. Adams, J. C. Campton, W. G. Harrison, W. Strauss, Max Westheimer, Jacob Ankell, Carl T. Prime, J. H. Wilson, T. O. Munce, A. B. Orr, J. T. Bigger, all of Houston, and C. L. Swope, H. H. Lund, John D. Stallworth, Ganado.

From Houston the party went to San Antonio, and the band of crusaders was augmented by W. R. Ellis and Guy MacLaughlin, of Houston, both officers of the Houston association. Thirty-seven agents participated in the meeting. Fred W. Maule was elected president of the association. Other officers chosen were Peter P. Hoefgen, first vice-president; Elmer Abbey, second vice-president; W. J. Murphy, secretary, and Eph. M. Goldstein, treasurer. Officers were nominated by a committee consisting of Dr. Frederick J. Combe, chairman; J. N. Houston, Peter P. Hoefgen, Eph. M. Goldstein and S. C. Pandolfo, and the report was ratified by unanimous vote.

Before adjournment a committee to draft constitution and by-laws was named by President Maule. It consisted of Elmer Abbey, chairman; W. J. Murphy, Ralph W. Colby, V. Weise and C. A. Goodale. The committee was instructed to be ready with a report by the date of the next meeting.

In addition to the 37 agents who signed up, members of the Dallas delegation offered to transfer the names of 24 men in this territory who now hold membership in the North Texas association.

An address was made by Mr. Johnson in which he told the things for which the national body stands and the work it is doing for the upbuilding of the insurance business. It is composed of more than 90 local associations, and through these associations has an individual membership in excess of 6,000.

The feature of the meeting was a straight-from-the-shoulder talk by Orville Thorp, one of the men responsible for the first organization among life insurance agents in Texas. About two years ago the North Texas association was formed, with Mr. Thorp as its first president. Ever since that time he has been untiring in his efforts to spread the gospel of the value of organization work to other parts of Texas.

He related the fight of the association for absolutely fair and straightforward methods among insurance agents,

told how agents who gave rebates and embezzled their companies' funds had been prosecuted at the instigation of the association and convicted for their crimes, and gave other interesting features of the campaign for square dealing in the life insurance field.

"The work of the association proved that the insurance laws of the State are adequate to punish agents who employed improper methods," said Mr. Thorp. "They were driven out of business in the part of the State reached by our association and kept from their activities in destroying public confidence in the value of life insurance.

"Now we want to spread the good work throughout the State by means of similar organizations in the principal cities. The reputable agents must stand together and put the dishonest solicitors out of commission. It can be done, and, is being done."

All of the other visitors addressed the meeting and sounded the same keynote. They presented the proposition that it is just as important for insurance men to be organized as it is for doctors, lawyers, or men engaged in other professions or lines of business.

Among the San Antonio agents who attended the organization meeting were J. N. Houston, Peter P. Hoefgen, Joe S. Smith, John C. Kirby, Dr. Frederick J. Combe, Elmer Abbey, B. A. Wiederman, L. A. Casey, P. E. Gragg, Ralph L. Colby, Claude A. Fuquay, C. A. Goodale, B. G. Lane, S. C. Pandolfo, O. H. Lutz, F. W. Maule, T. B. Merrill, E. G. Howe, J. R. Butler, E. A. Schulz, W. J. Murphy, A. J. Callaghan, H. V. Weise, H. A. Waddle, H. E. Mimms, R. B. Hopkins, H. S. Slinkard and Eph. M. Goldstein.

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Los Angeles Wins Pacific Coast Membership Trophy.

The Pacific Coast membership trophy has been won by the Los Angeles association for the third period of the contest, which closed Dec. 31. The Los Angeles association secured 52 new members during the six-month period, and will have possession of the cup for the next six months. The Puget Sound association was first awarded the cup, and San Francisco was its custodian during the second period. The association winning it three consecutive times will have permanent possession of the trophy. The record for Pacific Coast associations during the six months ending Dec. 31 was as follows: San Diego, 24; San Francisco, 14; Portland, 13; Tacoma, 9; Seattle, 3 and Everett, Wash., 1.

What the Local Associations Are Doing

Life Association News has no paid correspondents. We depend entirely upon the secretaries of local associations to send us stories of all meetings of their respective associations. If an account of the last meeting of your association does not appear in this department, ask the secretary of your organization why he did not send us the particulars.

Immediately after each meeting, on the same day if possible, secretaries of local bodies should send us a full account of the business transacted, including copies of all speeches, or extracts from the most important of them.

Akron.

The annual meeting of the Akron association was held on January 11. Reports from the officers of the various committees were received and approved and the election of officers resulted as follows:

President, A. Rubright, of the John Hancock Life; vice-president, Nicholas Huber, of the Canada Life; secretary and treasurer, C. C. North, of the Midland Mutual Life.

Atlanta.

Realizing that the old title was somewhat misleading, the Georgia Association of Life Insurers, at its annual meeting, decided to change the name to the Atlanta Association of Life Underwriters. This change was made necessary by the

fact that there are two other associations in Georgia, one at Savannah, and one at Macon. Officers elected for the ensuing year were as follows: R. N. R. Bardwell, Germ Life, president; Louis Sherfesse, Phoenix Life, vice-president; George L. Lote, Fidelity Mutual, secretary-treasurer. The new executive committee is composed of the following: A. C. Newell, Columbian National Life, chairman; W. E. Hawkins, Aetna Life; Hugh M. Willet, Fidelity Mutual; Thomas H. Daniel, Union Central, and J. H. B. Fidelity Mutual. Hugh M. Willet, president of the National Association, addressed the meeting on the plans formulated for holding the National Convention in San Francisco next year. It is expected that a large proportion of members of the Atlanta association will attend the San Francisco Convention.

Baltimore.

The annual meeting of the Baltimore association was held in the evening of Feb. — at the Merchants Club, in Baltimore. The election of officers resulted as follows:

President.—Frederick Shaw, Metropolitan.

Vice-President—Robert H. Walker, Provident Life Trust.

Treasurer—Matthew A. Brennan, Mutual Life of Baltimore.

Secretary—Charles E. Kregloe, Sun Life of Georgia.

Directors—Frederick A. Savage, New England; Jonathan K. Voshell, Metropolitan; Ernest J. Clark, John Hancock; Alfred G. Goodrich, National of Vermont; Joseph Downes, Northwestern, and Frank M. Wheaton, Union Central.

Amendments to constitution were offered to arrange for admittance of whole-time managers, special agents, etc., to membership, the membership having been limited in the past to general agents only. This will be voted upon at the next bi-monthly meeting.

Announcement was made of the plans for the annual convention which will be held on Feb. 20, at Hotel Emerson, in Baltimore. National President Willet will be our guest, together with Prof. H. H. Huebner, of the Wharton School of the University of Pennsylvania, who will speak to us on the subject "How the Life Insurance Salesman Should View His Profession."

Buffalo.

"What does it bring me?" is the worst question a man employed in insurance or in any other vocation can ask himself or anybody else, declared George T. Wilson, second vice-president of the Equitable Life Assurance Society, to members of the Buffalo Association in the evening of Jan. 2.

Mr. Wilson was the guest at the monthly meeting dinner of the association held at the Iroquois, and he made a vigorous speech on "Efficiency." The insurance agents were advised to "play up the game," instead of pursuing a selfish attitude.

Joseph E. Gavin, president of the association, acted as toastmaster, and seated at the head table with Mr. Gavin were Mr. Wilson, P. G. Lapey, vice-president; George Eckhardt, secretary-treasurer; Charles Francis Adams, S. Ellicott, P. M. Bredel and H. E. Crouch.

The toastmaster said he was about to retire as president of the association, and it was announced his successor would be Mr. Lapey. The election takes place in February.

Mr. Wilson is a noted after-dinner speaker, gifted with a wit and story-teller, and he talks not only with his mouth but with fist, arms and shoulders, and delivers a straight punch which drives home the force of his remarks.

Efficiency is achieved, in his opinion, by attaining the best results in all walks of life. It isn't hustle and bustle that spell efficiency, but the active, persistent and judicious pursuit of business that takes all the blows out of work.

"Inject vitality and individuality into any task, no matter how difficult it may be, and you will accomplish success," said Mr. Wilson. "Live and let live is far better than personal exploitation. Do not work selfishly for your own gain, but think of your fellow workers and your employer.

"Use your brains in intelligent efforts. There is no excuse

tallow-dip work in this age of electric illumination. The natural drift of things is not upward. For instance, an object floating on the surface of a stream will go down stream, the other way. So we are compelled to look upon things seriously and pull for the uplift of mankind. We suffer the penalty and become unfit if we are indifferent and inefficient." Other speakers were Charles Francis Adams, P. G. Lapey, E. Elliott, H. E. Crouch, F. E. Lahey, George J. Eckhardt and C. W. Fielder.

A sextette, led by Raymond F. Brown, sang popular pieces.

Capital District.

The January meeting of the Capital District Association devoted to five minute talks and discussions on various subjects of vital interest to the members. Charles R. Tripp delivered a five minute paper on "The Good the Association Doing the Individual." "Anything that helps the business generally," said he, "is of benefit to the individual. The larger membership of our association, the greater its moral force. Instead of remaining on the outside and criticising, every agent should become a member, and so make the organization more effective.

E. L. Marsters gave some interesting points on "How to Lead the Prospect." He advised a systematic canvass, and emphasized the necessity of paying attention to old policyholders. He believed that the whole secret was in interviewing as many people as possible.

"Influence of the Solicitor in Molding Public Opinion of Insurance and Insurance Companies," was the subject of a paper by C. C. DeRouville. He said in part:

"The solicitor or agent is the connecting link between the company and the public and it is only natural that public opinion of insurance and insurance companies is molded by a representative. Therefore it behooves us agents to consider our influence and how important it is that we should honestly strive to mold public opinion so that the people may become better educated to properly appreciate the true purpose of the great institution of life insurance and to accept benefits in the largest measure possible.

"Knowledge of our company and our business; conviction of the dignity of our work and its opportunity for service; tact to know how, when and where to approach our subject; diligent application to our business and activity and interest in civic and public matters; these are all necessary and desirable and will help to influence the public favorably toward life insurance and the companies having such representatives. We must have honesty, industry, courage and integrity."

In discussing advantages to be gained from policyholders, W. Clark, Jr., considered the matter from the standpoint of a cashier of an agency. "The men can be separated into distinct classes," he said. "The one who sells business but does it in any way that he can, by fair means or otherwise. The other is the class of men who sell their goods honestly and who leave their clients satisfied and friendly. From policyholders of the first man we soon begin to get complaints of policies misrepresented, of promises unkept and bad faith generally. This man does not, as a rule, last long in any community and he can get no help from his policyholders, for they are not in a friendly frame of mind. On the other hand, the honest man, by working systematically with policyholders can go back time and again and sell more insurance to the people who have already given him applications."

Insurance Commissioner Mansfield, of Connecticut, had to say he would reduce to a minimum unnecessary inquiries from dissatisfied and disgruntled underwriters at the various insurance departments. Many of the questions brought up, he claimed, should be settled by the agents and between the companies. Mr. Mansfield made those remarks at a meeting of the Capital District Association, held on the evening of the 8th inst., at Albany. Frank Hasbrouck, insurance commissioner of New York, who was a speaker at the same meeting, lent support to Commissioner Mansfield's contentions.

During the evening the association elected for president, William B. Phelps, of the Travelers, a good speaker, a believer in educational work and a man who can raise money from other underwriters (what more need be said?). For vice-president the association elected one of its best philosophers, C. C. De Rouville, Penn Mutual. Other officers followed: Second vice-president, E. B. Cantine, Home Life; secretary, G. L. Buck, Provident Life & Trust; treasurer, J. W. Clark, Jr., Equitable. Executive committee: Mr. De Rouville, E. L. Post, Prudential; O. W. Burkhardt, Connecticut Mutual; W. A. Baker, Massachusetts Mutual; C. R. Tripp, Fidelity Mutual; Clarence Schram, Massachusetts Mutual; E. L. Marsters, Connecticut General; Henry H. Kohn, Phoenix Mutual.

Commissioner Mansfield's address was largely devoted to a plea for national supervision, although at the conclusion of his address he was forced to confess that it seemed a long way off. Mr. Mansfield was in favor of a revision of the laws, and said in part:

"Companies and agents who dash to the insurance departments or the legislatures for relief from internal troubles which should be settled among themselves, were sharply criticised by Commissioner Mansfield of Connecticut, at the annual dinner given in Albany, N. Y., on Monday night by the Capital District Life Underwriters' Association.

Commissioner Hasbrouck declared that in the best conducted departments there was little confusion, and that business was being conducted without fuss or feathers. As an instance to prove his point, he referred to the mutualization of the Metropolitan, which has been accomplished without noticeable excitement. He declared that this department's machinery was so perfectly adjusted that this gigantic problem was handled as if it were a matter of everyday routine.

Other speakers were Clarence Axman, editor of the *Eastern Underwriter*; Seward V. Coffin, Harry H. Kohn, Charles R. Tripp, C. C. De Rouville, J. W. Clark, Jr., and William B. Phelps.

Central Massachusetts.

At the annual meeting of the Central Massachusetts association, the following officers were elected: Eli Bouchard, president; first vice-president, Dana M. Dustan; second vice-president, Wm. C. Oserie; secretary and treasurer, Otis D. Arnold.

The following resolution was recently adopted by the central Massachusetts association:

"We, the members of the Life Underwriters Association of Central Massachusetts, for the twelve months next ensuing, adopt the principle of ceasing to compete for life business when the prospect has made a bona fide application for insurance by signing either the agent's part of the application or the examiner's part after the examination, and we will encourage the practise in our business and will endeavor to protect as far as possible the agents of this association in carrying out this principle."

Chattanooga.

At the annual meeting of the Chattanooga association held at the Hotel Patten in the afternoon of Feb. 5, the following new officers were elected: President, A. S. Glover; vice-president, H. G. Hebditch; secretary, C. H. Crimm; treasurer, F. M. Keys.

The new executive committee will consist of Paul W. Shepherd, the retiring president; J. W. Bishop and I. A. Whittle.

At this same meeting, which was adjourned from the first Friday in January, the annual meeting date of the local organization was changed from the first Friday in May to the first Friday in January, to make it conform with that of the National Association. The new officers, however, will assume their duties the first Friday in May.

Julius J. Cohn, chairman of the publicity committee and editor of *The Life Insurance News*, published in *The Chattanooga News* every Saturday, was re-elected. The name of his committee, however, was changed to "educational and conservation" committee.

New members elected were: Grady Varnell, of the Penn Mutual; M. B. Leavell, of the Equitable; J. Loyd Rodgers, of the Volunteer, and W. C. Sanders, of the Germania.

Reports were read by the various officers and committee-men indicative of the good work done by the association during the past year along various lines, especially to place the life insurance business on a higher plane.

The local association has joined with other insurance organizations of the State to fight State legislation adverse to the interests of the insuring public.

Chicago.

Life underwriters in Chicago have been much interested in the slate which the nominating committee of the association intends to present to the annual meeting of the association, to be held on the 16th inst. It has just been announced that the committee will recommend to the members that George R. McLeran, manager of the Home Life be elected president next year. For secretary and treasurer Byron C. Howes, of the Union Mutual has been nominated to succeed himself. Alfred McArthur, of the National, U. S. A., is nominated as chairman of the executive committee. The other members of the committee are C. F. Axelson, of the Northwestern Mutual; F. A. Lorenz, of the Aetna Life; H. S. Standish, of the Union Central; Frank E. Jones, of the New England Mutual, and W. E. Nichols, of the New York Life. The annual meeting will be held Feb. 16.

Dr. M. S. Sadler has been invited to talk on Americanitis. Dr. Sadler is a lecturer on health topics and this address on keeping in condition is especially applicable to salesmen. The meeting will be held at the La Salle Hotel.

Cincinnati.

A noonday meeting of the Cincinnati association was held on the 2nd inst., with about 50 members in attendance. President Ellis announced that the regular March meeting would be held on the evening of Feb. 26, and that the association would have, as its guest, Warren M. Horner, of Minneapolis, who would discuss "Corporation and Income Insurance." The appointment of the following committees was announced by Mr. Ellis:

Finance Committee—Isaac Bloom, J. D. Jewell, Chas. Israel, F. H. Anderson and H. L. Shepard.

Membership Committee—S. W. Sturm, J. W. Kirgan, Samuel Strauss, F. J. White and J. D. Burgess.

Entertainment Committee—G. L. Resor, Abner Thorpe, Jr., F. Wm. Harte, F. H. Streitmann and W. M. Dunbar.

Publicity Committee—J. E. Taylor, W. A. R. Bruehl, Jr., A. J. Wohlgemuth, J. W. Mackelfresh and J. S. Drewry.

Law and Legislation Committee—Noah Morgan, J. Y. Shuff, B. W. Bassford, L. B. Simrall and G. C. Dieterly.

Welfare Committee—E. H. Ferguson, A. F. Sommer, J. M. Johnson, Henry Ottenhelmer and E. J. Wohlgemuth.

Civic Committee—Harry Hutchins, Isadore Rauh, N. J. Edwards, Louis Wirth and R. L. Bower.

Taxation Committee, State and National—M. W. Mack, H. J. Powell, C. J. Stern, J. W. Iredell, Jr., and Mark Davis.

National Educational Advertising Committee—W. A. R. Bruehl, Sr., W. D. Yerger, W. G. Oehmig, Ralph Holterhoff and M. W. Mack.

Health Conservation Committee—Wm. Klusmeier, A. C. F. Fiske, A. F. Levi, C. J. Iredell and C. J. Cohen.

The Cincinnati association held a luncheon at the Gibson House, on Jan. 15, in honor of John L. Shuff, who was recently appointed postmaster. It was the largest meeting that the Cincinnati association has ever held. Addresses were delivered by President Jerre R. Clark, of the Union Central; Millard W. Mack, A. F. Sommer and C. J. Stern. Mr. Shuff responded and made an earnest plea for co-operation under the presidency of S. P. Ellis. Myers Y. Cooper, Cincinnati's most prominent real estate man, declared that Mr. Shuff had done more for the civic development of Cincinnati in the last ten years than any other one man in the city of Cincinnati.

Cleveland.

J. J. Jackson, of the Aetna Life, at the January meeting of the Cleveland association, explained in detail the pub-

licity plans of the National Association. Mr. Jackson exhibited specimen copy of a series of non-partisan advertisements, which had been prepared under the auspices of the National Committee on Education and Conservation, and went into the matter thoroughly.

Five resolutions were presented in connection with the ethics of selling life insurance, but only three were discussed. They were as follows:

1. Resolved, That competition should cease when the application is signed in good faith and the medical examination is arranged for.

2. Resolved, That it is unethical for members to upset or rewrite term insurance in force in other companies.

3. Resolved, That it is unfair for members to influence competition against other companies by quoting only past performances of such companies and giving no consideration to their present condition.

There were various opinions as to the first resolution. S. S. Saffold, of the Provident Life & Trust, claimed that business is not really closed until a settlement of some nature is secured; while E. W. Snyder, of the Massachusetts Mutual, regarded the resolution as a proper guide in field procedure. Among the other members who participated in the discussion were Stephen Hughes, E. M. France, J. J. Jackson, Harry F. McNutt, J. H. Evans and Dr. W. H. Kinnecut. A vote was taken, and the majority of members were in favor of considering a case closed to competition when the application is signed, and a medical examination made. A majority of the members also approved of the second resolution. In discussing the third resolution, Harry F. McNutt declared that common courtesy and good judgment should be the guide in many cases, because of the difficulty of keeping the rules in mind. Other speakers participated in the discussion, which proved to be most interesting. Several new members were admitted. R. C. Allen, of the Phoenix Mutual, at the close of the meeting, briefly but vigorously deprecated the plan of having representatives of a number of companies meet an applicant in competition at the same time.

Colorado.

The biggest and best meeting ever held in its history was the verdict of the annual meeting of the Colorado association held on Jan. 18. Forty-five members sat down to dinner. Two special guests of honor graced the occasion; Medical Director Davis and Superintendent of Agents Hommeyer, of the Union Central. Each of the guests made happy talks which was greatly enjoyed. The big incident of the meeting was the spontaneous response of general agents acting upon a suggestion to put the solicitors on the membership list in order that they might profit by a subscription to LIFE ASSOCIATION NEWS. It is said by a contemporary that the privilege of securing the NEWS in connection with the membership was really the magic talisman that brought about such action. In a few minutes there were sixty-one named as new members, all from the ranks of the toilers in the field. This brings the membership in the association up to a total of 115, and the year just closed marks the greatest advance in membership ever known in the association. The newly elected officers for the year of 1915 are:

President, Charles M. Reich, Continental Life, Utah; vice-president, Meyer Harrison, Penn Mutual; second vice-president, J. A. Culbreath; secretary-treasurer, Ralph F. Taylor, Mutual Life. It was Mr. Reich who injected the ginger into the organization while acting as secretary last year, his enthusiasm and work being responsible for the splendid record made.

Columbus.

On Jan. 30 the Columbus association held its annual meeting and election of officers. The election of officers resulted as follows:

President, M. D. Donham, National, Vermont; vice-president, W. E. Hoyer, John Hancock Mutual; secretary, C. R. Garvin, Connecticut General; treasurer, Ralph Hoyer, John

Hancock Mutual; executive committee, Albert Speak, New England Mutual; Fritz Lichtenberg, Massachusetts Mutual; Benjamin F. Lewis, Connecticut General; Edward B. Gerlach, Equitable, and H. P. Goetz, Connecticut Mutual, besides the officers.

Retiring President Steiner announced that Governor Willis would probably attend the March meeting, and that John L. Shuff, former president of the Cincinnati association and now postmaster at Cincinnati, will be the principal speakers at the February meeting. A committee was appointed to revise the by-laws so that the duties of secretary and treasurer would be more clearly defined.

Mr. Steiner, in his address, called attention to the good publicity work which had been done during the year by Raymond Rhoades and Fritz Lichtenberg.

As Mr. Steiner intends to remove to Indianapolis, he was compelled to present his resignation to the association, and Lott H. Brown was elected a member of the executive committee of the National Association to fill out Mr. Steiner's unexpired term. Suitable resolutions honoring Mr. Steiner will be drawn up by a special committee appointed for that purpose.

Connecticut.

Connecticut underwriters were well represented at the regular monthly meeting of the association which was held in the Hotel Garde in the afternoon of Jan. 13. More than 30 members, representing life insurance companies all over New England, gathered for a discussion on the best methods of pursuing their profession, and other matters of importance were brought up at the business meeting which followed the luncheon.

Plans for the annual meeting, which was to be held in Hartford on Tuesday, Feb. 9, were discussed, and it was voted to adjourn the meeting on that date until Feb. 20 to enable National President Hugh M. Willet to be present.

The matter of education and conservation was taken up and considerable interest was manifested in the project of nation wide publicity and advertising for the interest of policyholders and insurance men. This is one of the most important projects that has ever been considered by the underwriters and will require considerable time before the campaign is finally launched.

Speakers of considerable prominence will be in attendance at the annual meeting, among them being Professor Irving Fisher, of Yale, who will discourse on the matter of "Life Extension." Frederick T. Ley, organizer of life insurance extension, will also be present.

Lee C. Robens, president of the association, presided, and introduced the speaker, Guy F. Wheeler, superintendent of agents of the Prudential, of Boston.

Mr. Wheeler took for his theme, "Lost in Fog and the Way Out," and carried it through in a most eloquent manner.

The principal feature of his remarks was the fact of the life insurance man concentrating his mind on his work. "Imagination," said the speaker, "is one of the important faculties of the human mind. In fact, it is called the most important faculty of the being. Our imagination stands midway between perception and thought but it creates nothing; it analyzes but does not create."

Mr. Wheeler commented freely on the manner in which he believed an agent should approach his prospect. He interspersed his remarks with a number of personal incidents during his career as a life insurance man and illustrated some of the methods of securing the attention of prospects in this manner.

In concluding his remarks the speaker introduced a chart which he said he believed would be of interest to the younger representatives present. The chart showed conclusive evidence of having been carefully thought out and considerable interest was shown by those attending.

Delaware.

The annual meeting of the Delaware association was held on Jan. 26 at the office of Arthur W. Swarts in the du Pont Building, Wilmington, those present being Messrs. Price,

Swarts, Ely, Knox, Vandever, Kelley, Gray, Palmer, Hughes, Dougherty and Cates.

At the invitation of President Price, James B. Owens, general agent of the Northwestern Mutual, was given the privilege of the floor to explain "Proposed Legislation." Mr. Owens, with Mr. Price and Mr. Gray of the association, comprise a committee appointed at a recent meeting of the insurance section of the Chamber of Commerce to take up the subject of proposed insurance legislation. Mr. Owens drew attention to the fact that the Delaware anti-rebate law penalizes the agent who offers a rebate; whereas it is proposed to make the recipient of a rebate equally guilty. It was the sense of the meeting that the provisions in the Maryland law on this subject were satisfactory.

Mr. Owens also discussed the New York statute, which requires the applicant for an agent's license to make formal application to the insurance commission. This also met with approval.

On motion of Mr. Swarts, Messrs. Price and Gray, of the Chamber of Commerce Committee, were appointed to represent the Delaware association in preparing the necessary laws to meet the desires of the insurance men. This committee was given power to act with reference to the introduction to the proposed legislation before the general assembly, and was directed to present a detailed report at an adjourned meeting to be held next Monday, Feb. 1, at 10 o'clock at the office of Mr. Swarts.

The executive committee reported that since the last annual meeting the dues of general agents had been reduced to \$5 and of sub-agents to \$2.50, and that both classes of agents had been put upon the same footing in the matter of voting. A non-resident classification had also been established. The committee also reported the continuance of efforts to secure permission to give a lecture on life insurance before the high school students, and that emphasis had been laid upon the insurance taxation and publicity. They also reported that a fight had been waged against an advisory board scheme, and that the promoters thereof had left town. In the year just closed twelve new members have been added to the association.

Taking up the proposed publicity campaign, it was decided to send to the National Association \$20, being one-fifth of the amount set by the local association.

The following letter addressed to the secretary was received from President S. C. Mitchell, of Delaware College:

"My dear Mr. Palmer:

"In response to your kind letter of the 8th inst. in regard to one or more lectures on Life Insurance, I beg to say that I should be glad for you to write to Prof. C. A. McCue, the chairman of our lecture committee, indicating somewhat the character of the lectures. I referred your letter to him and he made the above request. Would it be your desire to give these lectures before the whole student-body or before such smaller groups as might be specially interested in the subject? Prof. McCue inquired also as to the names of the lecturers. I feel satisfied that by bringing you two together a satisfactory arrangement can be worked out. The college desires to co-operate with you in every way.

"Very sincerely yours,

(Signed) "S. C. MITCHELL,
"President."

The publicity committee comprises Messrs. Palmer, Sheppard and McDonagh and they were instructed to arrange a course of lectures, and if possible to secure former President Ernest J. Clark, of Baltimore to deliver the first lecture. It was suggested that lectures might be prepared by Messrs. Sheppard, Hughes and Palmer.

The nomination and election of officers being next in order, the following nominations were made:

For President, William W. Knox, of the Penn Mutual.

For Vice-President, Frank C. Hughes, of the Mutual Benefit.

For Secretary, Charles B. Palmer, of the National Life.

THE

"Attainment always follows **conviction**. Scepticism and cynicism and pessimism never accomplished anything or made a dollar for anybody."

The Columbian National is one of the most progressive and successful companies in the United States, and is steadily growing in assets and income and insurance in force because its managers, its field representatives and its employees are all possessed of a **conviction**—a conviction of the strength and stability of the Company; of the fact that at low cost it grants sound insurance under forms of contract which are unexcelled by any other company; of the integrity and high ideals of the management, and of the Company's prosperous future. It is of this **conviction of its future** of which we wish to speak.

It is essential, if a life insurance company is to have a successful future, that it should be organized on sound plans, conducted under wise laws, and managed not only with integrity, but with a clear understanding on the part of its managers of the underwriting problems, the agency methods and the investment practices which will assure satisfactory results.

The Columbian National is peculiarly fortunate in that it was chartered in and is doing business under the laws of the Commonwealth of Massachusetts, a state in which the laws and supervision are so stringent that every old line company which has ever been started within its borders have met with a permanent and constantly increasing success. The full reserve plan upon which it operates is the most conservative method established by law in the United States, puts the Company in a strong financial condition, and requires it to maintain present reserves much larger than those required under the legal standards in the majority of the thirty states in which it does business, and higher than the reserves actually carried by the other younger companies of the country, most of which are operating on the preliminary term method. The standards to which the Company conforms in the state of its organization are so high that it is admitted without question into the other jurisdictions into which it extends its activities.

When a life insurance company has been soundly organized and successfully started; when it has built up a permanent organization of industrious, intelligent, loyal and capable agents; when it has won the confidence and good will of the public by conducting its business fairly and efficiently and paying its claims promptly and without question throughout a period of years, then it establishes a momentum as the result of which the certainty of its future progress may well be illustrated by the thought of a snowball being rolled across a field by some boys—each time it is turned over it **accumulates**. So with a well-established company—at the end of each week, each month, each year that passes, its income is larger, its assets and its business in force greater, than at the beginning of the period. Times may be

GROWTH

	Admitted Assets	Policy Reserve
1909	\$5,169,193.61	\$3,479,708
1914	10,365,885.65	8,552,080

The Columbian National

BOSTON,

ARTHUR E. CHILDS, President

FUTURE

good, or bad, or indifferent—they may affect the percentage of growth, but not the **fact of growth**. So long as the agency representatives possess the conviction that the Company is what it is; so long as they believe in it—in the desirability and liberality of its contracts, in the integrity and efficiency of its management, they will succeed in writing each year an adequate volume of new business, and the Company's growth is automatic and inevitable.

Looking into the future—and into a future not too far distant, we can see the \$65,000,000 of insurance in force increase to One Hundred Millions, to Two and Three Hundred Millions; the income of approximately Three Millions, increased to Five and Ten and Fifteen Millions; the present assets of Ten Millions multiplied to Twenty and Forty and Sixty Millions. Because we possess this vision, and the conviction that it can be converted into reality, we have sought to lay the foundations broad and firm to give the Company a complete equipment of plans, policies and literature, which is not merely comparable with the equipment of the larger and longer-established companies, but which is unexcelled by any company; to plant the Company's agencies in the healthier and most progressive sections of the United States, and to require that all of its agency representatives should measure up to high standards—for it is only through worthy agents that sound and permanent results can be attained.

In calling for the co-operation of the agents in creating that far larger and greater Company which The Columbian National is to be, we do it in no purely selfish sense. A truly successful life insurance company is one which fulfills a **sound** public service, and it is one whose success comes up to its Home Office through the success of its field representatives. Each year, as it grows, it is our wish and belief that its agencies will be more successful; that they will make a more satisfactory return and give an increasingly broader opportunity to those who conduct them, so that the success which comes to the Company may be shared by all connected with it.

The Company's growth, its prosperous future, is absolutely assured; the day when it will have Two Hundred Millions of insurance in force and \$50,000,000 of assets is certain to arrive. The time it will take to fulfill this vision will depend solely upon the efficiency of our joint work, and in this connection we must recall that with the fact of steady growth established, the percentage of that growth will depend upon our success in renewing each year as we grow older an increasing percentage of the business written. This is a special task the performance of which is practically entirely in the hands of the agents, and it is one to which we wish especial attention devoted, in order to give added impetus to the growth which has been evidenced during the past few years.—From "The Columbian."

FIVE YEARS

	Paid Policyholders	Insurance in Force
1910	\$497,161.41	\$37,428,975.00
1915	860,382.51	65,006,420.00

Life Insurance Company

MASSACHUSETTS

WILLIAM C. JOHNSON, Vice-President and General Manager

For Treasurer, T. Blair Ely, of the Equitable Life of Washington.

Members of the Executive Committee: James F. Price, of the New England Mutual; Frank Sheppard, of the Provident Life & Trust; Arthur W. Swarts, of the Mutual Life.

On motion the secretary cast the vote of the association for these nominees and they were duly elected.

Detroit.

There was a special musical program under the direction of Arthur C. Suppnick and R. A. Van Alstyne, at a meeting of the Detroit association, held on the evening of the 1st inst., at the Hotel Cadillac. The principal feature of the meeting, however, was an address by H. A. Jones, president of the Jones Real Estate Co., who discussed "Selling Efficiency." Mr. Jones said in part:

"There is no student of the present day selling methods but that acknowledges that the pap, pothier, patter, bunkum and hot air of the old order of salesmanship has passed away, and in its place has come a reasoning, sane, analytical method of selling that acknowledges no defeat; that goes to the most infinitesimal degree of reasons why a man buys or doesn't buy. There was a day when salesmanship was bounded on the north by a good cigar; on the south by questionable stories; on the east by three fingers of red eye; and on the west by good fellowship, but that has passed. The successful salesman of to-day finds no need of the bribery of dinners, drinks or cigars to make his prospect buy. He knows that a man sold by such methods is only one quarter sold and does not make a continued satisfied buyer. The new salesman knows that he must have an absolutely specific knowledge of the smallest details concerning that which he has to sell."

Duluth.

Charles D. Oreckovsky was elected president of the Duluth association at the annual election held in the offices of the Equitable Life Insurance Co. in the Alworth building. W. L. Smithies is the outgoing president.

Other officers selected for the ensuing year are: Richard Keown, first vice-president; T. J. Monahan, second vice-president; Clyde Potts, secretary; Frank T. McNally, treasurer, and Arthur C. Hoene and Mr. McNally, members of the executive committee.

Fort Dodge.

A debate upon the question of eliminating the part time agent was the principal feature of the February meeting of the Fort Dodge association, which was held on the 6th inst. The affirmative side was presented by M. V. Keith, while C. A. Peterson presented the matter from the negative viewpoint. A general discussion followed. Arrangements were made to present the various phases of life insurance in the local high school and colleges.

Indiana.

The principal speaker at the January meeting of the Indiana association was Dr. J. N. Hurty, secretary of the Indiana State Board of Health. The meeting was held in the Merchants' Cafeteria, in the Fletcher Trust building. Dr. Hurty discussed the purpose of the proposed measure which was to be introduced in the Indiana Legislature, for the purpose of making the present State health law effective. According to the speaker, it is necessary to provide engineers, for at present time the enforcement of the law is in the hands of underpaid health officers, to a number in excess of 550.

The subject of using the Education and Conservation fund was given considerable attention. Over \$700 had been secured, and after deducting the proportion which goes to the National Committee on Education and Conservation it leaves about \$500 to be expended locally. The committee was authorized to make a contract with the *Indianapolis Star* for an average of one-half column per week for a year, and in a short time it is expected that special educational articles will appear in the space contracted for.

Iowa.

Life Insurance—the arch enemy of death; the arch enemy of illiteracy; the arch enemy of misery and want and vice and all the attendant evils that go hand in hand with it—the human shock absorber." In these words was the profession of life insurance epitomized by W. E. Bilheimer, president of the St. Louis Underwriters' association, in an address at the Grant Club, on the evening of Feb. 6, at Des Moines, before more than one hundred members of the Iowa association and their families.

During the banquet Prof. Ross V. Miller, accompanied on the piano by Miss Elizabeth Leland, sang several selections. Miss Leland also played two selections alone. After the banquet tables had been cleared, Toastmaster Anderson told those assembled how lucky they had been to hear Mr. Bilheimer's address. But one toast was called for: That was "To the Ladies," and was given by Henry S. Nollen, vice-president of the Equitable Life of Iowa. Mr. Nollen termed the ladies of the insurance men "their silent partners; not speechless, but their helpmeets and sweethearts and their inspiration."

Kalamazoo.

The regular monthly meeting of the Kalamazoo association was held at noon, on the 9th inst., in the Grill Room of the Park American Hotel. There was a good attendance, and the meeting was greatly enjoyed by those present. The principal address was delivered by the Rev. John R. T. Lathrop, superintendent of the Methodist District. He congratulated the members upon their profession, declaring that life insurance is one of the best methods of consistent saving.

A. A. Graham, local district manager for the Penn Mutual, spoke of the necessity of every agent boosting all companies. That is to say, he deprecated knocking. He also urged that some system be worked out for an advertising campaign in the local papers.

S. S. Evans, manager of the Michigan Mutual, spoke of the work to be accomplished by the local associations. He believed that meetings should be held regularly, and that if any non-association agent was thought to be securing business in an underhanded manner, that such agent should be induced to join the association, where, he believed, he would be ashamed to resort to any practice not strictly ethical and honorable.

The annual meeting for the election of officers will be held at the Park American Hotel, in the evening of March 8, followed by a dinner.

Kansas City.

E. M. Somerville, of the J. P. & E. M. Somerville agency of the Penn Mutual, was elected president of the Kansas City association at its annual meeting, which was held at the Kansas City Athletic Club. The other officers elected were W. J. Cardwell, Mutual Benefit of Newark, first vice-president; R. P. Osborn, Royal Union Mutual, second vice-president; A. D. Bonfield, Union Central, secretary and treasurer.

Among the speakers at a meeting held on Jan. 23 were Governor Major, Superintendent of Insurance Ravelle and Actuary Chorn. It seemed to be the consensus of opinion among the speakers that there was practically no legislation pending inimicable to the interests of life insurance. There were about 200 men and women present, and many of them danced after the dinner.

Knoxville

The Knoxville association held its annual meeting for the election of officers for the ensuing year at noon on January 23.

After a luncheon, the retiring president, J. N. Ellis, called the meeting to order, and heard the report of the secretary-treasurer for the year, which allowed an increase in the membership of twenty, with all dues paid and the association starting the new year with a nice balance in the treasury.

President Ellis spoke enthusiastically of the work during the year, of both the local and the national associations in the

Can you conscientiously recommend the Life Insurance business to a friend?

Suppose he knows nothing about it.

Be sure to tell him that there is a Company that gives him a careful training,

And that it is followed up with a real Sales Department.

Don't forget to tell him that this kind of service is valuable to a beginner, will you?

Phoenix Mutual Life Insurance Company OF HARTFORD, CONN.

JOHN M. HOLCOMBE, President

matter of publicity, education and the anti-taxation movement. He said that the local association has had the honor during the past year of entertaining the president of the national body, also of hearing such public men as the Hon. Reau E. Folk, ex-insurance commissioner, on the subject of taxation of insurance and C. D. Dabney, of Nashville, on the publicity and educational movement.

Upon recommendation by the executive committee, the association decided to elect the examining physicians of every life insurance company represented in the association as honorary members. And they will be so notified by the secretary.

Another important motion carried at this meeting was for the appointment of a law and legislation committee, whose duty it shall be to examine existing laws on life insurance, to report to the association such additional legislation as they may desire to recommend from time to time.

This committee is to co-operate with similar committees in the other associations of this State.

The nominating committee made its report, recommending the elections of officers for the ensuing year. The newly-elected president, J. V. Rymer, was then conducted to the chair, and outlined a platform urging a forward movement along educational lines, the co-operation of all agents in the field toward improving the general field work, giving the public at all times fair dealing and good service, and doing all in their power to elevate the profession of life insurance.

He then appointed the committees, which placed practically every member at work for the welfare of the association and the public at large.

Upon motion, the association endorsed S. C. Neville, of Knoxville, for appointment as insurance commissioner of Tennessee.

The meeting then adjourned.

The officers elected are:

President—J. V. Rymer.

First Vice-President—E. R. Lutz.

Second Vice-President—F. W. Flenniken.

Secretary-Treasurer—C. F. Harrison.

Executive Committee—S. J. Murphy, H. W. McMillan, F. W. Chamberlain, Robert L. Carden, Jas. F. Maxwell.

Committees appointed by President Rymer for the ensuing year:—

Taxation—Chas. O. Lutz and J. H. Newman.

Editors LIFE INSURANCE NEWS—T. S. McKinney and J. Ed. Lutz.

Membership—E. R. Lutz, De Witt M. Shepard and C. O. Fowler.

Lecture and Educational—F. W. Flenniken, Jas. F. Maxwell and J. W. Provost.

Publicity—C. F. Harrison, W. J. Anderson and Allan Watson.

Law and Legislation—Robert L. Carden, A. M. Lyons, R. W. McAllister, E. Anderson and W. B. Henderson.

Finance—F. W. Chamberlain, S. J. Murphy and L. S. Harkey.

Lima.

At a meeting of the Lima association, held at the Elks' Home, on Jan. 19, Alexander and Chapman, the evangelists are engaged in conducting a series of revival services in that city.

Louisiana.

The first lecture before the School of Insurance, recently instituted at Tulane University in New Orleans, was delivered by President Wilson Williams, of the Louisiana association. Mr. Williams' topic was, "What Life Insurance Is and Does." In the course of his remarks, Mr. Williams explained the system of dividing the loss of one among many. He went into the mortality statistics, and elucidated the methods of computing them.

Louisville.

The annual meeting of the Louisville association was held at the Hotel Watterson, and G. Chapman Young, general agent of the Union Central, was elected president. The other

officers elected were Sam Burbank, general agent of the Aetna, first vice-president; A. W. Finley, general agent Penn Mutual, second vice-president; C. T. Watkins, National Life of Vermont, secretary and treasurer. Several new members were elected. Much to the disappointment of a number of members, no action was taken relative to the question of rebating, a matter upon which the association has of late devoted considerable attention. This was owing to the absence of the chairman of the executive committee. President-elect Young made a brief address, outlining his platform for the year, and announced that in future meetings would last for just one hour, and that an effort would be made to see that all gatherings were promptly adjourned.

Madison, Wis.

There was recently organized at Madison, Wis., a local association, which will take steps to affiliate with the national body. The following officers were elected: President, C. L. McMillen, Northwestern Mutual; vice-president, R. C. Stephenson, Prudential; secretary, Herman Wittwer, Northwestern Mutual; treasurer, A. C. Larsen, Central Life of Des Moines; directors, Frank Weston, New York Life; L. A. Anderson, consulting actuary, and A. J. Jedney, Central Life of Des Moines.

Minneapolis.

A meeting of the Minneapolis association was held in the evening of Jan. 30. Secretary H. W. Butts delivered his annual report, which showed that the membership of the association had increased 100 per cent. during the year.

Treasurer C. N. Patterson reported an increase of over 70 per cent. in the funds over the previous year. M. C. Tift, chairman of the executive committee, announced that the treasurer's books were in excellent condition and moved that the report be accepted.

W. M. Horner spoke of the progress of the Education and Conservation movement, and it was moved and adopted that the Minneapolis association hold a joint meeting with the St. Paul association for the purpose of discussing and making plans for the above movement. The nominating committee made its report, and the following officers were elected for the ensuing year: President, J. J. Ahern, Massachusetts Mutual; vice-president, G. W. Taylor, Union Central; secretary, John H. Fabian, Phoenix Mutual; treasurer, C. N. Patterson, Union Central.

Nashville.

Charges of twisting were brought against a Nashville agent at a recent meeting of the Nashville association, held in the rooms of the Board of Trade. Much indignation was manifested when it was announced that the offending agent had admitted his guilt to the State Insurance Department. It was brought out, however, that the only way in which the agent could be punished was to show that misrepresentations had been made. Deputy Insurance Commissioner Felknor was present and declared that the department would gladly take action against an offending agent where there was a violation of the law. But he also stated the law was inadequate.

New England Women's.

Miss Lucy M. Morrill, vice-president of the New England Women's Association, presided at the annual meeting of that association held on the 4th inst. The principal business was the election of officers for the ensuing year. Mrs. Florence E. Shall, who has served the association so well in the past, was unanimously re-elected president. The other officers are Miss Lucy M. Morrill, vice-president; Mrs. Emma L. Clapp, second vice-president; Mrs. Alice G. Whitcomb, treasurer, and Mrs. Annie M. F. Sherman, secretary. Miss Conlin was elected chairman of the executive committee. Mrs. Louise A. Forster, Mrs. Hattie M. Leavitt, Miss Marcella F. Conlin and Mrs. Sarah A. H. Boyle are the other members of the committee.

New York.

The New York association held a noon-day meeting on the 26th of January at Kalil's restaurant. After luncheon, arrangements were made for the annual dinner, which is to

be held at the Hotel Astor on Feb. 24. It was announced that among the speakers would be Dr. S. S. Huebner and Senator Lawrence Y. Sherman. The following resolution was unanimously adopted.

RESOLVED, That this association request the superintendent of insurance to publish each three months a list of those licensed to solicit life insurance in this State, giving name, address, company and occupation other than that of life insurance.

RESOLVED, That this association suggest to the superintendent of insurance that the application for a license be revised, requiring more definite information in regard to the applicant, and including a statement that the applicant will not violate the laws of the State in reference to rebate and misrepresentation and that the applicant be required to make these statements over his own signature, duly acknowledged under oath.

RESOLVED, That this association suggest to the superintendent of insurance that in order to obtain a renewal of license the applicant be required to submit a form provided by superintendent of insurance and give the information required by the superintendent, stating that he has not violated during the past year the laws of the State of New York in reference to rebating and misrepresentation.

RESOLVED, That this association believed that the present insurance law should be so amended as to give the commissioner of insurance power to revoke a license for cause.

RESOLVED, That it is the sentiment of this association that no man should be appointed as an agent by any company or manager who does not intend to regularly solicit life insurance, or who does not intend to put himself in a position to acquire within a reasonable time a knowledge of the business.

RESOLVED, That the executive committee of this association be empowered and instructed to take such action as it may deem wise to eliminate the improper agent.

RESOLVED, That a copy of these resolutions be sent to the superintendent of insurance; to each company doing business in New York State; to each manager and general agent in Greater New York and to the other life underwriters' associations in New York State.

Northern Indiana.

Speaking at the annual meeting of the Northern Indiana association at the Commercial Club in the evening of Jan. 18, Dr. J. N. Hurty, secretary of the Indiana State Board of Health, declared that one of the best ways to reduce taxes was to fight what he termed "great monsters"—disease in all its forms. Dr. Hurty also explained the provisions of a new health bill which the State board will present to the State Legislature and the association voted its support to the bill. The address of Dr. Hurty followed a dinner at 7 o'clock, which was attended by the members of the association and medical examiners. Officers to serve for the year were elected as follows: President, James F. Conway; vice-presidents, Julian F. Franke and E. C. Ungemach; secretary, Arthur W. Young; treasurer, Jacob Hartman; executive committee, Ernest A. Crane, chairman; E. C. Ungemach, T. F. Kerby, Julian F. Franke and Charles W. Orr. Ernest A. Crane, William P. Cooper and Charles W. Orr will serve as members of the publicity committee until the president makes his other appointments. Mr. Orr is also a member of the executive committee of the National Association.

The association unanimously voted that it was the sense of the meeting that the members indorse the bill, and the secretary was instructed to write letters to the Senators and Representatives in northern Indiana and urge their support of the measure.

Dr. Hurty was given a rising vote of thanks for his lecture.

Oklahoma.

The February meeting of the Oklahoma association was held on the 1st inst., in Oklahoma City. The speakers were

National Secretary J. Henry Johnson, T. B. Merrill, agency manager Western division of the Aetna Life, and A. D. Engelsman, general agent of the Equitable of New York. Mr. Johnson gave an account of his recent trip through Texas, where new associations were organized at Houston and San Antonio.

Mr. Merrill, who has been in the life insurance business for 50 years, gave some interesting reminiscences of conditions a half a century ago, and convinced his audience that conditions at the present day are vastly superior to those referred to by Mr. Merrill. Mr. Engelsman delivered a well prepared address on local insurance laws.

Philadelphia.

With a splendid attendance the Philadelphia association held its annual meeting on the evening of Jan. 28 at the Hotel Adelphia. There was a business session at which the minutes of the precious meeting were read and approved. A resolution substantially the same as was introduced by former National President Chas. Jerome Edwards at the Cincinnati convention was then presented. After a discussion it was adopted. The officers elected were: President, Wm. R. Harper; vice-president, E. O. Mosier, Thomas L. Fansler and L. F. Paret; secretary, Walter M. Long; treasurer, Clarence A. Wray; executive committee, H. O. Chapman, J. W. Clegg, H. W. Dickinson, J. H. Glenn, C. M. Hunsicker, E. P. Langley, O. F. Lenhardt, G. H. Lokes, A. D. Murphy, Wm. A. Smalley, J. C. Staples and J. Weil.

Immediately following the banquet, retiring President Fox reviewed the work of the past year. E. P. Langley, manager, of the Equitable, presided as toastmaster. John W. Clegg, retiring secretary, spoke briefly but to the point, and addresses were made by Thomas L. Fansler, general agent of the Northwestern Mutual; Clayton M. Hunsicker of the Fidelity Mutual and President-elect Wm. R. Harper. Mr. Harper had much to say with regard to rebating. He reviewed the Pennsylvania laws in connection with his practise, calling attention to the fact that the Pennsylvania law makes it illegal to give or offer to give, or to accept or offer to accept a rebate or any valuable consideration not specified in the policy contract. It was brought out that under the existing statutes it was not necessary that definite and positive evidence of rebating shall first be secured by someone outside of the department. In any case where there can be present a statement of circumstances which seem to justify an investigation, the department can compel either the agent or applicant to give testimony under oath and use such evidence to prosecute the right party—the one so testifying receiving immunity.

The subject of Thomas L. Fansler's address was "Is the Average Agent in Sympathy with the Company?" His remarks were far too important to permit of a summary, consequently they are reproduced elsewhere in this number.

Pittsburgh.

With 150 members present, the Pittsburgh association held a meeting in the evening of Jan. 30, in Kaufmann's Restaurant. A resolution condemning twisting, and referring particularly to the practise of inducing a policyholder to cash a matured policy to take out new insurance, was introduced by former National President Charles W. Scovel. It was unanimously adopted.

It was brought to the attention of the members that the Mid-Year Meeting of the Executive Committee of the National Association was to be held at the Hotel Astor, in New York City, on Feb. 23, where arrangements would be made for the San Francisco Convention. In the course of the discussion, it was ascertained that seven members indicated their intentions to attend the convention.

The principal speaker was Agency Manager Winslow Russell, of the Phoenix Mutual, his subject being "The Successful Thinking Agent." Mr. Russell's remarks were listened to attentively, and at the conclusion of his address a vote of thanks was tendered him. Several new members were elected.

Puget Sound.

The annual meeting and banquet of the Puget Sound Association of the Elks' Club, Seattle, in the evening of Feb. 1, was really an ovation to the retiring president, William Dwight Mead. At least twenty members spoke of the work Mr. Mead had done as president of the organization to dignify the calling of the life insurance agent, to educate the public to a proper appreciation of the economic necessity of insurance and to place the Seattle organization in the front rank of the ninety-four associations of underwriters now in existence in this country.

Ira A. Nadeau, on behalf of the members, as individuals, presented Mr. Mead with a signed memorial engrossed on parchment, reciting his services to the association.

The nominating committee, through its chairman, T. A. Garrigues, presented this ticket:

President, R. C. Stuart; first vice-president, C. C. Thompson; second vice-president, A. B. Furner; secretary, P. J. Duren; treasurer, W. A. M. Smith.

Their election was unanimous.

A clever idea of Mr. Mead's was to ask a number of those present to tell how they happened to go into the insurance business. There was much of pathos as well as humor in what was told, stories of early struggles or how success had been achieved. These responded in the order given:

W. S. Pond, De Witt A. Clark, Harry Calohan, W. L. Waltz, Emmett C. Brown, C. L. Burt, C. B. McCormack, Mrs. F. M. Kellar, H. W. Winterbourne, Joseph L. Greenwell and A. B. Furner.

Not the least interesting were the experiences of Mrs. Kellar, who demonstrated that insurance offers a remunerative and pleasant field of work for women.

Prof. Harry Edwin Smith, who has charge of the new course in life insurance, which was added this year to the curriculum of the University of Washington, was made an active member of the association, without dues, in recognition of his work. Prof. Smith outlined the course, two hours a week, Mondays and Wednesdays, at 11 o'clock. This is to be supplemented by weekly lectures given by insurance men on the practical side of the business, the lectures to be at the university in the evening so they may be attended by insurance men, themselves, and any others interested, as well as by university students.

Prof. Smith said it had been expected the class would number perhaps twenty, but it now looked as though it would be double that.

Guy Withers, chairman of the association's committee on education and conversation, announced the lecture program as follows:

1. "The Place of Life Insurance in Universal History," Frederick Hoffman, statistician Prudential Life Insurance Company, of Newark, N. J.

2. "Forms of Insurance—Assessment, Fraternal, Industrial," C. C. Thompson, Metropolitan Life Insurance Company.

3. "The Need of Life Insurance—Service for the Individual, the Business, the State, the Family," Guy Withers, Equitable Life.

4. "Business Insurance, Group Insurance, Income Contract," Malcolm Hughes, recently with Travelers' Insurance Company.

5. "Medical Selection and Medical Service of Insurance," Dr. J. B. Eagleson, Northern Life, of Seattle.

6. "Organization of Offices and Agencies—Investments," R. S. Boyns, Prudential Insurance Company.

7. "Insurance and the State Supervision and Taxation," George Howes, New York Life.

8. "How to Sell Life Insurance—The Field and the Agent," Dwight Mead, Pacific Mutual Life.

9. "How to Buy Life Insurance," A. B. Furner, Penn Mutual Life.

Secretary A. B. Furner, in making his report, said twenty-two new members had been added during the year, the membership now reaching a total of 138.

Three new members were introduced at the meeting, Mrs. Mabel S. York, Emmett C. Brown and N. G. Harold.

The Mutual Life

Insurance Company of New York

In 1914

In benefits to policyholders, the " Oldest Company in America " has again surpassed all former achievements.

Total Amount Paid Policyholders, \$69,032,809.59

The above total, including death claims, endowments, dividends, surrender values, etc., amounted to \$1,327,554 for every week in the year, \$228,585.46 for every day, and \$28,573.18 for every hour, counting 302 working days of 8 hours each. The total paid to policyholders during the year exceeded the amount received directly from them by \$10,612,872.70 Other notable features of the Company's business at the end of the year were

Insurance in Force.....	\$1,612,574,168.00
Admitted Assets.....	611,033,800.53
Net Policy Reserves.....	496,438,884.00
Total Income.....	85,482,390.33
Total Disbursements.....	80,013,720.06

The amount of new insurance paid for during the year, including dividend additions, was \$147,720,038.

Balance Sheet, December 31st, 1914

ASSETS		LIABILITIES	
Real Estate	\$22,129,049.53	Policy Reserves.....	\$496,438,884.00
Mortgage Loans.....	127,415,467.26	Supplementary Contract Reserve.....	3,696,764.05
Loans on Policies.....	90,766,345.11	Other Policy Liabilities.....	7,871,734.69
Bonds and Stocks.....	353,752,949.56	Premiums, Interest and Rents paid in advance.....	1,294,032.09
Interest and Rents due and accrued.....	7,590,552.84	Miscellaneous Liabilities	659,355.39
Premiums in course of collection.....	4,450,552.06	Taxes, License Fees, etc., payable in 1915.....	651,210.00
Cash (\$3,689,744.78 at interest).....	4,039,717.02	Dividends payable in 1915.....	16,939,320.89
Deposited to pay claims.....	889,167.15	Reserve for future Deferred Dividends	70,834,884.23
		Contingency Reserve.....	12,647,615.19
Total Admitted Assets. . .	\$611,033,800.53	Total Liabilities.	\$611,033,800.53

For Terms to Producing Agents, Address

GEORGE T. DEXTER

Second Vice-President

34 NASSAU STREET

NEW YORK, N. Y.

As indicating the opportunities for young men in life insurance, Mr. Mead said Mr. Harold, in five and one-half months, without previous experience, had written \$243,000 of insurance, which was probably a world's record.

"There are 1,250,000 high school pupils in the United States," Mr. Mead continued. "Of these only four out of 100, according to statistics, enter higher institutions of learning. If, at least once, to every senior high school class in the land a lecture was given on why, when young, every person should take out insurance, a vast amount of poverty and misery might be saved coming generations. Let us as an association try to introduce this practise in Seattle."

Mr. Furner was complimented on his efficient work as secretary, especial reference being made to the "bulletin," which has been issued monthly under his direction.

A constitutional amendment was adopted making past presidents life members of the association and a permanent advisory cabinet. This cabinet is now composed of Ira A. Nadeau, Malcolm Hughes and William Dwight Mead.

Short addresses were made by three of the new officers, Mr. Stuart, Mr. Furner and Mr. Duren, who outlined plans for 1915.

Richmond.

At the annual meeting of the Richmond association held on the evening of Feb. 1 in the Jefferson Hotel, Richmond, E. A. Woods, of Pittsburgh, vice-president of the National Association, urged that the tax be placed on life insurance premiums, as it was a tax upon thrift and individual economy. He stated that life insurance business is peculiarly an American business, and said that it should be protected as such because it is systematic thrift.

Mr. Woods gave a survey of the treatment accorded life insurance by the European governments, showing that all these governments encourage life insurance, and that, in numerous instances, they make it compulsory, and in no instance is life insurance taxed. No statesman or economist, he said, has ever justified taxation of life insurance. The average savings bank business, Mr. Woods stated, runs for four years, while the life insurance policy runs about fifteen years, and he explained that if the protection that life insurance afforded was eliminated the institution of life insurance would be justified by its promotion of thrift.

Mr. Woods further explained in the course of his remarks that the trouble of the American people was not the high cost of living, but thriftlessness. He gave statistical information showing the expenditures of the people for amusements, automobiles, liquor and other unnecessary things, which showed in every instance a greater expenditure than for life insurance. He said that the trouble was not lack of income, as the income of the American people was greater in proportion to the wealth than that of any other country. But, he continued, the American people do not save; and he urged that it be made the duty of every insurance man to bring home to the people the need of living a life of thrift.

President E. M. Crutchfield, who presided, made a short address, in which he expressed his personal appreciation of Mr. Woods's message.

Mr. Crutchfield presented his annual report of the accomplishments and progress of the association during the year, and made favorable comment on the work done by the special committees on taxation, attendance, special resolutions, membership and conservation and educational movement.

A. P. Wilmer, chairman of the nominating committee, submitted the committee's report, which was adopted, and on motion of the association the secretary cast the unanimous vote of the association for the election of the following officers to serve for the ensuing year: President, E. Mulford Crutchfield; vice-president, Samuel B. Love; second vice-president, W. W. Hardwicke; secretary, Ernest W. Marshall; treasurer, Gaius W. Diggs; executive committee, chairman, D. R. Midyette, Neil D. Sills and T. Archibald Cary.

After the business meeting the members adjourned to the Palm Room, where dinner was served.

Rochester.

The 1915 officers of the Rochester association, who were recently elected, are as follows: President, A. V. Smith; first vice-president, E. B. Neil; second vice-president, W. Sam Weaver; secretary, W. R. Punch; treasurer, W. R. Macy; executive committee, W. S. Parks, E. C. MacDowell, F. J. Withington, O. H. Shepard and G. N. Cooper.

St. Louis.

How best to utilize the education and conservation fund of \$6,500 was the principal subject of discussion at the annual meeting of the St. Louis association, which was held in the American Annex. It was practically decided that a large portion of it should be spent in newspaper publicity, and a committee has been named to work out details. The new officers of the association are: W. E. Bilheimer, inspector of agencies of the Equitable, president; Earl Layman, Northwestern Mutual, first vice-president; Wm. King, insurance expert, second vice-president; J. C. Wittmond, Columbian National, secretary; Geo. Barnes, Home, treasurer and Geo. E. Black, Mutual Benefit, chairman of the executive committee. The members of the executive committee are composed of F. M. Chaney, Mutual Life; J. W. Estes, Aetna; F. B. Patten, German Mutual and Geo. Benham, Penn Mutual.

St. Paul.

At the January meeting of the St. Paul Association considerable time was devoted to a discussion of the Institutional Advertising Campaign.

Charles W. Barnes, of the Pacific Mutual Life, was introduced as the speaker of the evening, his subject being "Co-operation, Fraternity, Service." The speaker said in part:

"Prof. Frank Gidding, of Columbia University, says that if all the universities and all the schools, and all the pulpits should unite in one idea which they wished men to accept, it would not have the influence upon them as the experience of getting their living has, that the way men earn their bread determines their character, their policies and their faith. Broad and sweeping as this statement is, it is in line with practically all the authorities on social science.

"When men get their living in competition with one another they are enemies, and all the teaching of ethics cannot remove that hostility, that antagonism, which competition creates. Men are learning that competition not only is demoralizing to character and destruction of brotherliness, but that it is unprofitable also.

"Insurance underwriters representing different companies are not necessarily competitors. They will all get more bread and more happiness by forgetting that they represent different companies. If all the men writing life insurance would unite in an association, not a combination in restraint of trade, not a monopoly to exploit the public but a friendly co-operative society embodying the principles of friendship, truth and love, such as this Underwriters' Association is, the influence upon the public would be tremendous."

W. D. Skidmore, of the Connecticut Mutual, created much fun and merriment with a number of humorous stories. Wm. H. Oehler, of the Equitable of Iowa, delivered some side-splitting yarns in German dialect.

San Diego.

The regular February meeting of the San Diego association was held at the Palace Cafe on the 4th inst. The resignation of H. K. Coon as secretary of the association was accepted, and J. F. Forester was appointed acting secretary and treasurer. A communication was received from the Los Angeles association announcing its annual banquet to be held at the Alexandria Hotel on the 6th inst. and inviting the members of the San Diego association as special guests. This invitation was accepted. F. T. King discussed a plan of local advertising, and the matter was referred to the executive committee.

New England Mutual Life Insurance Company

87 Milk Street, Boston, Massachusetts

ALFRED D. FOSTER, PRESIDENT

Seventy-first Annual Statement

According to Values December 31, 1914, as fixed by the Massachusetts Insurance Department

ASSETS		LIABILITIES	
Bonds and Stocks	\$38,805,409.00	Reserve at Massachusetts Standard	\$61,808,377.71
Real Estate: Home Office Buildings	1,230,003.19	Death and Endowment Claims Reported and Awaiting Proofs	292,389.53
Other Real Estate	560,369.15	Reserve for Unreported Death Claims	47,678.00
Loans on First Mortgage	15,031,884.00	Reserve for Equalization of Mortality and Depreciation of Assets	300,000.00
Loans on Collateral Security	222,850.00	Premiums and Interest paid in advance	67,213.35
Loans on Policies and Premium Notes	11,665,392.24	Commissions and Expenses Accrued	52,694.43
Interest and Rents, due and accrued	867,977.49	Insurance Taxes, payable in 1915	158,094.39
Net Outstanding Premiums	634,347.91	Distribution of Surplus Accrued	462,979.17
Cash in Banks	1,144,778.05	Distribution of Surplus Apportioned Dec. 31, 1914, payable in 1915	1,970,000.00
			\$65,159,426.58
		NET SURPLUS, Massachusetts Standard	\$5,003,584.45
			\$70,163,011.03
	<u>\$70,163,011.03</u>		

Increase in Premium Income	\$542,243.13
Increase in Gross Income	707,494.06
Increase in Assets	3,994,308.50
Increase in Policy Reserves	3,876,852.39
Increase in Insurance in Force	16,282,265.00

EDWARD W. ALLEN, General Agent, 220 Broadway, New York City.

LATHROP E. BALDWIN, General Agent, 141 Broadway, New York City.

PARKER & HINKLEY, General Agents, White Building, Buffalo, New York.

HENDERSON & MANN, General Agents, Cutler Building, Rochester, N. Y.

HENRY P. WICKES, General Agent, Union Building, Syracuse, N. Y.

San Francisco.

The annual meeting and banquet of the San Francisco association was held on Jan. 28. The following officers were elected. H. R. Hunter, president; Leon B. Ressler, vice-president; Gordon W. Hay, secretary and treasurer.

Retiring President W. H. Matson, in his address, briefly analyzed what had been accomplished during the year. From his remarks it was learned that the finances of the association were in better condition than heretofore; that the membership had increased approximately 80 per cent.; that the association sent the largest delegation to the twenty-fifth annual convention of the National Association that has ever gone from a Pacific Coast association. Mr. Matson also mentioned the fact that the association had won the Pacific Coast membership cup for the first six months' period of 1914, and secured the twenty-sixth annual convention of the National Association. He also gave a brief outline of the preliminary work which had been done in connection with the convention.

President-elect H. R. Hunter made a few remarks, and declared that it would be one of the greatest pleasures of his life to serve the association to his fullest capacity.

Otto Irving Wise spoke principally of the World's Insurance Congress, and urged the members not to forget the responsibility that would rest upon them as hosts. Former National President Hubert H. Ward discussed the idea of service, while Rev. Clappett said in part:

"I believe there is a very close association between that profession in which you are engaged and that of which I have the honor of being a member. In both cases it is dealing with life—the most precious thing in the world.

"And just as you destroy the commercialism in your business, in the nobleness of your perfection will be success. When you and I take our place in our profession and work on the basis of altruism, then the full success of the profession has been attained.

"For you men there is a great work. You have a great field—one in which you can make good friends if you forget individual interests for the purpose of helping the man next to you. The spirit of life is altruism. It is in this sense that I am pleased to be identified with life insurance."

"Underwriters' Associations," said Willard Done, who was the last speaker, "were formed not merely as a parade ground for social purposes; places for merely social amenities, or for exchange of ideas for uplift. This is only incidental. The association movement means much more than this. It means that every man that carries the rate book is the friend and brother of every other man. It means that in all of your insurance work you will protect and help one another. It means that in the field you shall be allied against the one common foe, and that your attacks shall be unitedly directed against improvidence and thriftlessness."

Syracuse.

The annual meeting of the Syracuse association was held in the evening of Jan. 16, at the City Club for the election of officers for the coming year. Henry Phillips will take the chair as newly elected president of the association in February as a result of the election.

H. B. Husted, the outgoing president, elected a member of the executive committee of the national association, retires from office, leaving the affairs of the local association in the best of condition, indicated by the reports submitted. Noticeable gains have brought the membership to sixty-nine active and thirty associate members. Financially the organization is ahead of the game. As an active force in the community it is in fine functioning condition, as shown by its success in having a course in insurance installed in the curriculum at Syracuse University, and by the inauguration of its co-operative educational advertising campaign in the local papers.

William G. Marot was returned to his office as secretary, a

position he has held for three successive years. George A. Burnap and H. P. Wicks are the vice presidents elected for the coming year. C. J. Kirtland, C. L. Behm and K. A. Luther are the other members of the executive committee.

An enjoyable program of speakers followed the annual dinner and reports of the association. Dr. Edwin Shepherd, on medical examinations for insurance, Franklin J. Hollingsworth and Superintendent Hughes of the municipal department of education were included in the list of speakers.

Trumbull County (Warren, O.).

A new underwriters' association has been organized in Trumbull County, Ohio, with the city of Warren as its headquarters. A meeting was held on Jan. 12 at the Park Hotel and the special guest of the occasion was A. D. Hatfield, president of the Cleveland association. Mr. Hatfield discussed "The Benefits from Organization." The officers elected were:

President—Frank D. Johns, Mutual, New York.

Vice-president—Edgar Green, New England Mutual.

Secretary—Harry L. King, Connecticut General.

Treasurer—James F. Poulton, Prudential.

This association will in a short time apply for membership in the National Association.

Utah.

With merry jests and expressions of optimism interspersed with talks on more serious subjects of the day, members of the association and guests to the number of 150 participated in the tenth annual banquet of the Utah Association in the evening of Jan. 28, at the Commercial Club, Salt Lake City.

The spirit of the occasion was carried out even in the menu where the various dishes and delicacies were prefixed by some well-known insurance term.

Witticisms and sage sayings were plentiful throughout the program. The tables were arranged in the form of a large uppercase I. The speakers and the officers of the association were seated at the head, and the distinguished guests across from each other along the long stem. Members of the Senate and the House of Assembly now in session, district judges, prominent bankers, real estate men and representatives of the liability end of insurance, were present with their wives.

President George D. Alder, of the association, made the address of welcome, following the invocation by the Rev. Will A. Betts. Among those who responded to toasts and their subjects were: Representative Charles R. Mabey, "Business and Legislation"; Miss Armored Dixon, "Katie's Answer," and "Breaking the Charm"; John James, "The Insurance Department"; S. H. Clay, secretary of the Commercial Club, "Human Interest in Life Insurance"; Dr. E. G. Gowans, State superintendent of public instruction, "Thrift and Morals"; Governor William Spry, "Remarks."

In view of the time and the activities of the various legislatures in recent years, Representative Mabey's talk was of more than usual interest and was well received.

He said in part:

"It will be ten years next month since trouble broke out in one of the large insurance societies of New York. Legislature committees immediately busied themselves in uncovering the corruption that had grown up in the corporations, as a result of too little legal restraint, as well as the cupidity of big business. The attention of the committee was soon turned to other big corporations and a wave of popular distrust for everything in commerce and finance swept over the land.

"That investigation, begun a decade ago, continued to our own day. Legislatures in every State as well as the national Congress seem to have vied with each other in an endeavor to pass the most stringent laws against business with a view to protecting the people from further encroachments.

"The best legislation is that which passes the fewest laws, providing that abuses do not arise to require drastic bills.

The Pacific Mutual Life Insurance Company

OF CALIFORNIA

RESULTS FOR 1914—FORTY-SEVENTH YEAR

New Life Insurance Issued (Paid for Basis)	\$22,805,828.00
Gain in Life Insurance in Force	9,485,254.00
Total Life Insurance in Force, December 31, 1914	154,525,447.00
Total Cash Income	9,506,116.05
Gain in Cash Income over 1913	426,250.30
Total Admitted Assets, December 31, 1914	32,604,612.25
Gain in Admitted Assets	3,266,460.26
Total Paid Policyholders	3,690,791.83
Grand Total Paid Policyholders since Organization	40,410,883.83
Total Reserves on Policies, December 31, 1914	27,590,612.63
Gain in Reserves	2,509,016.30
Premium Income, Accident Department	1,876,579.49

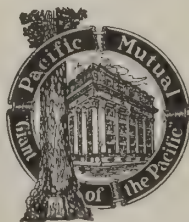
BALANCE SHEET, DECEMBER 31, 1914

ASSETS	LIABILITIES
Loans on Real Estate.....\$17,644,340.05 Amount of Loan does not exceed the statutory percentage of appraised value.	Reserves on Policies.....\$27,590,612.63
Loans on Approved Collateral.....2,218,852.41	Claims in Process of Adjustment.....314,776.70
Loans to Policyholders.....6,214,280.93 In no case does amount of Loan ex- ceed the Reserve held by the Com- pany.	Premiums and Interest Paid in Advance.187,572.90
Bonds and Stocks Owned.....2,859,703.22	Reserved for Taxes Payable 1915.....128,500.00
Real Estate Owned.....1,203,143.20 Including Home Office Building.	All Other Liabilities393,304.45
Interest Due and Accrued.....444,458.96	Including \$117,170.36 Reinsurance Fund and \$104,306.18 for Agents' Commissions in Accident Depart- ment.
Outstanding and Deferred.....	Total Liabilities \$28,614,766.68
Premiums:	Capital Stock1,000,000.00
Life Department637,728.00	Surplus Set Aside for Future Dividends to Policyholders1,973,329.77
Accident Department317,659.13	Surplus Unassigned1,016,515.80
Net Amount Reserve charged in Liabilities.	
Cash on Hand.....1,038,641.35 Including Deposits drawing Interest.	
Other Assets25,805.00	
TOTAL ADMITTED ASSETS.....\$32,604,612.25	TOTAL\$32,604,612.25

Surplus, Assigned and Unassigned (Exclusive of Capital) - \$2,989,845.57

Death Rate

Actual to Expected, 59.73%



Actual Rate of Interest Earned
on Invested Funds 6.23%

Good Connections can always be made with
our General Agents throughout the Country

Organized 1868

HOME OFFICE
LOS ANGELES, CALIFORNIA

Business, even in its most colossal proportions, is a delicately adjusted piece of machinery and resents being touched by unskilled hands.

"It is time that everybody took a broad-gauge view of the corporation and the business man from the standpoint of their usefulness in the community. No one needs to take this view more than the business man himself. 'Tis business that governs the race.

"With consciousness of the high and noble calling of business in the mind of the lawmaker, the layman and the business man, it seems to me we should arrive at some satisfactory adjustment of our differences and settle down to work."

Dr. Gowans has just been relieved of the management of the State Industrial School for Delinquent Girls and Boys. He assured the members that their work is the most potent preventive for delinquency in the youth of the State that he knows of, as more than 90 per cent. of delinquency results from uneconomic and improvidential home environment which the man with the rate book can more successfully correct than any other known agency.

West Virginia.

The largest and most enthusiastic meeting in the history

of the West Virginia association was held in the afternoon of Jan. 16 at the Windsor Hotel, Wheeling. At the conclusion of the luncheon a short business session was held, at which 17 new members were elected to membership in the association and 12 new applications received. During the luncheon the Victoria Orchestra stationed in the balcony rendered a number of very delightful selections.

At the conclusion of the business session the meeting was placed in charge of a special committee consisting of H. A. Vidal, Chas. S. Schlessinger and Chas. Meyer. The first event on the program was an exemplification of soliciting methods applicable to the younger generation of life insurance prospects, participated in by Robt. J. Kraus, of Weston, and B. W. Schenerlein, Mr. Kraus taking the solicitor's part, with Mr. Schenerlein acting as the prospect. The discussion covered practically every phase of the life insurance proposition as it appeals to the progressive young man.

The superiority of the old line insurance over that of fraternal organizations when viewed from an actuarial and business standpoint was demonstrated. The difference between a savings account and an insurance policy were dwelt upon at considerable length to show the fallacy of the too prevalent

"What the Equitable Offers"

What the Equitable Offers is the title of a booklet listing in detail the many attractions and advantages of Equitable policy contracts.

While intended for the prospective insurer, it will interest any insurance salesman who is curious to know why Equitable policies sell readily, renew steadfastly and meet every conceivable need of all classes of insurers. A copy will be sent to any address on request.

The Equitable Life Assurance Society

of the United States

165 Broadway, New York

W. A. DAY, President

Satisfied Policyholders

The constant line of applicants
for **ADDITIONAL** insurance in the

JOHN HANCOCK

shows that its members have
GOOD JUDGMENT

TIE UP WITH THE COMPANY MAKING
SATISFIED AGENTS



WILLIAM N. COMPTON

General Agent

Metropolitan District

ST. PAUL BLDG. 220 BROADWAY
NEW YORK, N. Y.

belief that the one is the equivalent of the other. The old stock objection that "I have to die to win" was held by Mr. Kraus to be neither fair nor funny. He argued that life insurance was not a gamble and that its proceeds could in no sense be termed "winnings."

The next speaker was J. A. Wilson, of Pittsburgh, superintendent of the East Liberty district for the Metropolitan, with which he has been connected for more than 25 years. His subject was "The Age of Opportunity," and his discourse was listened to attentively and punctuated with frequent applause. After reviewing the general insurance situation and contrasting the results secured by the industrial and strictly old line companies, he said in part:

"This is essentially the age of service. The trend of the modern attitude toward large corporations is not how big but how good. The reason for the supremacy of the in-

dustrial companies is that they have augmented the value of their policies to the assured by giving with them a large measure of service, practical helps that aid in prolonging life and in bettering living conditions. The agent of the future must have a knowledge of life insurance beyond that contained in the rate book because the business is gradually expanding to cover questions of mortality not expressed in dollars and cents.

At the conclusion of Mr. Wilson's address a short talk on the value of association work was given by J. P. Hanley, of Wheeling, an ex-president of the West Virginia association.

The concluding feature of the program was the recall of Mr. Kraus to elaborate more fully some of the ideas expressed in the earlier part of the session, which he did in his usual characteristic vein.

65th ANNUAL STATEMENT OF THE

Ætna Life Insurance Company

HARTFORD, CONNECTICUT

MORGAN G. BULKELEY, President

Life, Accident, Health, Liability and Workmen's Compensation Insurance

JANUARY 1, 1915

ASSETS

Home Office Building.....	\$1,000,000.00
Real Estate:	
Acquired by Foreclosure....	\$29,143.33
Supply Department	75,000.00
	104,143.33
Cash on hand and in Banks.....	4,120,758.13
Stocks and Bonds.....	35,502,583.15
Mortgages secured by Real Estate.....	58,206,405.74
Loans on Collateral.....	1,083,269.35
Loans secured by Policies of this Company.....	11,537,512.00
Interest due and accrued December 31, 1914.....	2,364,075.66
Premiums in course of collection and deferred premiums.....	2,596,276.76
Amortized value of bonds and Market value, December 31, 1914, of stocks, over Book value, less Assets not admitted	3,001,712.31
TOTAL ASSETS	\$119,516,736.43

INCOME

Premiums	\$21,521,928.87
Interest, Rents, etc.....	6,199,298.62
TOTAL INCOME IN 1914.....	\$27,721,227.49

GAINS DURING 1914

Increase in Surplus to Policyholders.....	\$2,475,202.34
Increase in Premium Income	1,902,543.46
Increase in Assets	5,559,738.98
Increase in Life Insurance in force.....	25,263,183.73

LIABILITIES

Reserve on Life, Endowment and Term Policies	\$91,065,454.00
Additional Reserve, not included above..	970,213.00
Premiums paid in advance, and other Liabilities	993,844.51
Unearned interest on Policy Loans.....	320,820.99
Taxes falling due in 1915.....	697,242.31
Reserve for special class of Policies and Dividends to Policyholders payable on demand	3,382,873.20
Losses and Claims awaiting proof and not yet due.....	694,067.41
Unearned Premiums on Accident, Health and Liability Insurance.....	3,313,361.36
Reserve for Liability Claims.....	2,578,030.28
Surplus to Policyholders amortized basis for Bonds	15,500,829.37
Surplus of Policyholders, Market Value June 30, 1914.....	\$13,332,271.26
Surplus to Policyholders, Market Value, December 31, 1914.....	\$12,838,035.26

TOTAL LIABILITIES **\$119,516,736.43**

DISBURSEMENTS

Payments to Policyholders.....	\$15,931,302.00
Taxes	735,172.79
All other Disbursements.....	7,820,310.92

TOTAL DISBURSEMENTS IN 1914... \$24,486,785.71

New Life Insurance Issued in 1914.....	\$75,142,409.31
Life Insurance Paid for in 1914.....	64,756,755.31
Life Insurance in Force, January 1, 1915..	380,798,405.03
Paid Policyholders since organization in 1850	263,717,904.00



Organized 1868

Assets
\$32,604,612
Surplus
and
Capital
\$3,989,846

The School for Salesmen

of the

Pacific Mutual Life Insurance Company

offers, free of cost, instruction and direction to prospective and new agents and gives them the right start in an attractive and remunerative business with an experienced and successful company.

For full information write the company at Los Angeles, California.

Good connections can always be made with our General Agents throughout the country.

Western Massachusetts.

Rev. A. P. Reccord was the speaker at the monthly meeting of the Western Massachusetts Association at Cooley's Hotel in Springfield in the evening of Jan. 29. His subject was "The ministry of life insurance." A nominating committee was elected to bring in names of officers for the ensuing year at the annual banquet on Feb. 25. This committee consists of William Richards, F. W. Fuller and W. P. Draper. The banquet committee consists of Henry Waldron, Donald W. Bridgman and Alfred J. Norton. It is announced that one of the speakers at the annual banquet will be National President Hugh M. Willet.

Wichita.

The annual meeting of the Wichita association was held on the 6th inst., and the following officers were elected: President, P. M. Anderson, Northwestern Mutual; vice-president, J. W. Carlisle, Prudential; L. S. Cloninger, Metropolitan, secretary and treasurer.

Youngstown.

The Youngstown association met at the Y. M. C. A. in the evening of Jan. 14 and listened to addresses by Vice-President Edward A. Woods, of Pittsburgh; F. W. Gifford, from the home office of the Prudential, and Dr. R. D. Gibson, of Youngstown.

Mr. Woods talked of the education, taxation and conservation campaign being taken up by the National Association at this time and also touched on the ethical part of the life insurance business. Mr. Gifford gave an instructive talk on the duties of the agent toward the assured and the main benefits of insurance. Dr. R. D. Gibson gave some valuable information and data on the medical side of insurance work and his views on the value of a policy to any family. All the talks were instructive and highly entertaining.

After the speeches the following officers were elected for the ensuing year: President, E. V. Clyde; vice-president, C. W. Hensch; secretary, W. B. Randolph; treasurer, Sam Hankins; executive committee, Roy Hartzell, Myron Eckert, F. B. Carney, James Quinn, Lee Burt.

The February meeting will be ladies' night and an original course of entertainment has been arranged upon a suggestion of Mr. Stone, one of the newer, but active members of the Youngstown association.

Metropolitan Life Insurance Company

(Incorporated by the State of New York.)

THE COMPANY OF the People BY the People FOR the People

PROOF OF PUBLIC CONFIDENCE.

This Company, although it operates only in the United States and Canada, has more insurance in force than any other life insurance company in the world.

The number of policies in force is greater than that of any other company in America, greater than all the regular life insurance companies put together (less one), and can only be appreciated by comparison. It is a number considerably in excess of the combined population of Greater New York, Chicago, Philadelphia, Boston, St. Louis, Cleveland, Baltimore, Cincinnati, Pittsburgh, San Francisco and Kansas City.

SIGNIFICANT FACTS.

This Company's Policy claims paid in 1914 average one claim for every 46 seconds of each business day of eight hours and in amount \$232.07 a minute.

The Daily Average of the Company's Business During 1914

626 per day in number of Claims Paid.	\$305,754.00 per day in Payments to Policyholders and addition to Reserve.
8,040 per day in number of Policies issued and revived.	\$161,826.87 per day in increase of Assets.
\$1,708,728.00 per day in New Insurance issued, revived and increased.	Insurance in Force \$2,991,114,069.00

Full particulars regarding the plans of the Metropolitan may be obtained of its Agents in all the principal cities in the United States and Canada, or at its

Home Office: 1 MADISON AVE., NEW YORK

Would You Be Interested?
If a man came to your desk and showed you a pen or pencil that would add or subtract as it writes?



Of course you would; anybody would!

We have no such pen or pencil, but we have something better. We have a typewriter which does all this, and you know that the typewriter is three times as fast as any pen or pencil. This typewriter is the

Remington

Adding and Subtracting
Typewriter

(Vahl Adding Mechanism)

This machine adds or subtracts and writes; not only that but it adds or subtracts when it writes. Both operations are simple.

You need this machine in your work. Every man needs it who has bills to do, or any kind of adding to do on the same page. It saves time, saves to write, prevents errors, gives you a mechanical insurance of accuracy.

We stand ready to give this machine a test on your work, a test which will convince you that you need it.

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New York and Everywhere

THE LYONS PRINTING COMPANY

MONOTYPERS
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High-Grade Book and
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A MODERN PLANT
LOCATED AT LYONS, NEW YORK

Representing

THE MUTUAL LIFE

INSURANCE CO. OF NEW YORK

You will make money.

The great strength, big dividends and incomparable benefits of the "oldest company in America" mean certain success for you.

For Terms to Producing Agents, Address

GEORGE T. DEXTER, 2d Vice-President

34 Nassau Street, New York, N. Y.

A New High Mark

That is what we reached in 1914—a year of profound business disturbance.

We are optimistic for 1915, believing that business conditions are improving steadily, and that the year will be one of wonderful opportunity in life insurance, as well as in general business. Our representatives are filled with enthusiasm, and with determination to go above the high mark of 1914. We believe that they will do it, and shall in every way back up their work.

Occasionally we have a general agency opening for the right man.

JOSEPH C. BEHAN, Supt. of Agencies

Massachusetts Mutual

Life Insurance Company

Incorporated 1851

Springfield, Mass.

Successful Life Insurance Salesmen Earn

\$2,000, \$3,000,
\$5,000 and up-
wards a year.
They began as
you will.



We Want Agents.

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

FORREST F. DRYDEN, President.

Home Office, Newark, N. J.

Incorporated as a Stock Company by the State of New Jersey

ÆTNA Life Insurance Co.

OF HARTFORD, CONN.

ISSUES BOTH

Participating and Non-Participating
Life and Endowment Policies

Also Non-Participating Term Policies

Agents will find that the policies of this Company cover a wider range and provide greater benefits than others, and are therefore easiest to sell.

Experienced and successful men, also successful men without life insurance experience, may find satisfactory opportunity with the AETNA LIFE. Address:

FRANK BUSHNELL, Agency Secretary,
HARTFORD, CONN.

or T. B. MERRILL, Supt. of Agencies,
1005 Insurance Exchange, 175 W. Jackson Blvd. CHICAGO.

Life Association News

OFFICIAL ORGAN OF THE NATIONAL ASSOCIATION OF LIFE UNDERWRITERS

Entered as second class matter, Feb. 4, 1907, at the Post Office at New York, N. Y., under the Act of Congress of March 3, 1879.

Vol. 9.

NEW YORK, MARCH, 1915.

No. 7

LIFE INSURANCE SALESMANSHIP AS A PROFESSION.

VOCATION INVOLVES SCIENCE IN ITS PRACTICE AND REQUIRES EXPERT KNOWLEDGE OF THAT SCIENCE—THOROUGH GROUNDING IN THEORY ESSENTIAL.

As a Calling It Is One of the Noblest in Existence, Ranking with That of the Ministry, Law, Medicine and Teaching—Agents Must Abandon the Strictly Selfish Commercial View.

The following address was delivered by Dr. S. S. Huebner, of the Wharton School of Finance, University of Pennsylvania, before the annual meeting of the Baltimore association, held at the Emerson Hotel on Feb. 20. He also spoke along similar lines at the annual meeting of the New York association. Dr. Huebner is recognized as one of America's leading life insurance educators, and in view of the Education and Conservation Propaganda of the National Association this article will doubtless be read with avidity by every prominent life insurance man in this country.—Editor's Note.

Life insurance "salesmanship" and "profession" are entirely compatible terms; in fact, they should be synonymous. The time is rapidly drawing near when the cardinal idea underlying every business and vocation shall be service to the customer or client. On every hand—among physicians, lawyers, teachers, bankers, investment houses, credit men, exporters, brokers and many other groups—there is noticeable a distinct tendency to organize the component members within the group into associations with a view to standardizing the calling and elevating its ethical and utility phases. This is as it should be and is true progress. It is therefore with pleasure that I have been following the concerted efforts of life insurance salesmen to take stock of the standing of their group in the community and to combat the temptations and meet the problems which are so peculiar to their calling. During the past year I have had my attention called to at least a score of able addresses on this subject delivered by leaders of your vocation. Throughout all I note the same general line of thought—the advocacy of a high standard of honor and service. Many speak with a frankness that is perfectly amazing. All refer to the "professional aspects" of the business. All want it to have the status of a profession and not that of a mere occupation as regards both the methods pursued and the quality of service rendered. Practically all, too, assume that in this way alone can the calling command that general respect and confidence which it should rightly have.

A Professional Plane.

If I may now assume that the consensus of opinion is favorable to placing life insurance on the plane of a profession, it is important to note that you alone have it within your power to make it so. All depends upon the attitude that you assume with reference not merely to the sale of a policy, but to the whole broad question of life insurance in its relation to the community. Now what shall that attitude be? In answering that question, the theme of this evening's talk, we shall be assisted by recounting the several concepts that underlie a professional career and then applying them to your vocation.

Briefly stated, four ideas, in my opinion, should be present in any definition of the term profession. These are:

1. That the vocation should be so essentially useful to society and so noble in its purpose as to inspire sufficient love and enthusiasm on the part of the practitioner to make it his life's work. One cannot regard highly the services of a professional man who looks upon his vocation as a side issue and who is not willing to devote to its practice his entire time and his best thought and energy.

2. That the vocation involves a science and in its practice an expert knowledge of that science.

3. That in applying this expert knowledge the practitioner should abandon the strictly selfish commercial view and ever keep in mind the advantage of the client. Conscientious and disinterested service—proper advice and guidance—is the very essence of professional conduct, and in the long run the best policy.

A Spirit of Loyalty.

4. That the individual practitioner should possess a spirit of loyalty to his fellow practitioners, of helpfulness to the common cause that they all profess, and should not allow any unprofessional acts to bring shame upon the entire profession. Unfortunately the public has a habit of jumping to general conclusions, and too frequently the selfish unprofessional conduct of a few leads to a distorted and unfair view of an entire group. The golden rule is applicable in this respect quite as much as in individual transactions.

An application of these four ideas to your calling can leave no doubt that the terms "life insurance salesmanship" and "profession" are entirely compatible. In the first place, do life insurance salesmen follow an inherently useful and noble calling, and are they absolutely necessary? Most decidedly, yes. Few institutions, indeed, so vitally affect the average family, the very basis of our whole social structure, as life insurance. In fact, so intimate is this relationship that I am accustomed to refer to life insurance as a sacred duty, and as the only absolutely safe measure to adopt as a means of

protecting loved ones against the want and misery that may be occasioned by premature death; likewise to refer to the deliberate failure to provide such protection when necessary as a crime, as an act of a gambler, and a swindle upon a dependent household. Life insurance should constitute to-day a substantial item in every family budget, just like food, clothing, rent and fuel. It is the only sure means of eliminating one of life's greatest gambles. It alone enables a bread winner to capitalize his value as such for the benefit of those who depend upon that bread. It should do more than any other institution to eliminate the curse of worry. Not only is it a powerful agency for inculcating thrift, but even for the person who can save it furnishes the only certain method of hedging against the possibility of the saving period being cut short. Moreover, life insurance may be put to almost innumerable business uses, and in this connection let us remember that family welfare and business success are nearly always closely interrelated. As I stated in my address before the 25th annual convention of the National Association of Life Underwriters: "You have the right to feel that you are identified with one of the noblest professions in existence, ranking with that of the ministry, law, medicine and teaching. * * * Where the doctor fails to save the head of the family and where the pastor can only console, the agent may feel the supreme satisfaction of having been responsible for effecting a contract the proceeds of which, partially at least, continue the earning capacity of the deceased and protect the dependents from want. The agent who, as a result of a life's work, has sold, let us say, three or four million dollars of life insurance—yes, any agent whenever selling a policy—has a right to feel that he has performed in a practical way a very noble service to his fellow men in staving off worry and want."

Salesmen Necessary.

But these facts, you will say, are commonplace truths. Yet, granting that they are known, they are, as you can all testify, reluctantly practised even by those who understand. One thing is certain: life insurance can be widely disseminated only through salesmen. This is demonstrated by the results attained by every governmental scheme of insurance which was purely voluntary and permissive in character. On numerous occasions, for example, England has enacted laws providing that the post office savings banks might be used as a medium through which the Government might sell annuities and insurance contracts. Purposely, however, these laws were not compulsory and depended upon the voluntary action of the public. What was the result? During the 17 years of the operation of the act of 1864 only 6,524 life insurance contracts and only 11,646 annuities were sold. The act of 1882 resulted in a similar showing. At the end of the 25th year of its operation the total number of annuity contracts in force aggregated only 2,930 (\$297,307); the total insurance contracts only 13,262 (\$3,727,000); while the average number of annuities written per year amounted to only 2,026 and of life insurance contracts to only 677.

Expert Knowledge.

Now let us turn to the second concept. Does life insurance salesmanship involve a science and in its practice an expert knowledge of that science? The answer, again, must be: "Certainly." There is probably no other business subject which because of its complexity is so academic in character and presents so many varied phases in its practical application. There is only one right plan of life insurance, viz., that based on sound mathematical theory. A thorough grounding in that theory is necessary to an understanding of the scientific features and practical applications of the business that underlie all of the many types of contracts sold. A knowledge of the science of the business alone makes possible the giving of correct and unequivocal answers to the numerous questions that are asked of agents and the avoid-

ance on their part of meaningless or unjust comparisons between companies and types of policies. Much of the loose talk that so many salesmen indulge in to-day when advocating their contracts is traceable to the lack of a clear understanding of the fundamental principles underlying rate-making, the operation of and necessity for a reserve, the nature and proper interpretation of the sources of the surplus and of similar scientific features of the life insurance institution. Life insurance contracts also present many legal phases concerning which agents should be equipped to give proper advice. They should be in a position, too, to know and appreciate the numerous family and business uses of life insurance protection. The latter, especially, affords a boundless field for study and thought, because there are few business men, indeed, who do not at some time face a business situation the solution of which would be made simpler and less hazardous through the medium of some kind of life insurance contract. A knowledge of the foregoing factors is necessary to the salesman if he is to be an expert in his subject and if he is to appreciate fully his obligations to his client. But, as I recently stated: "It is not expected that agents should spend their valuable time in always telling all that they know. The application of knowledge need not necessarily involve long explanations, except when requested, and, like the physician, the agent may diagnose his case and conscientiously perform his service without explaining his every act in detail."

The Selfish Viewpoint.

Now a few thoughts with reference to the third concept, viz., that the man who practices a profession should abandon the strictly selfish commercial view and ever keep in mind the greatest good of the client. This is the very essence of professional conduct, since the client, as payor, acknowledges his ignorance and dependence when he consults the practitioner, who, as payee, professes, impliedly or otherwise, his expertness to serve. Let it be remembered that it is not the company that pays the commission and renewals, but the policyholder; furthermore, that such payments should not be predicated upon the consideration of mere friendship. Service to the policyholder alone justifies the commission and renewals, and the dignity of the profession requires that they should be earned and not taken as a gratuitous favor from friend to friend.

More Than a Mere Sale.

Life insurance salesmanship to be compatible with the term profession involves more than the mere effecting of a sale. It should always involve a willingness to understand the insured's needs for life insurance protection and to guide and assist him in selecting that type of contract and that form of settlement which will most advantageously protect him and his beneficiary. When about to complete the sale of a contract, it might be well to pause just a moment and ponder on this thought: Have I effected a transaction which I conscientiously believe to be the best in view of the circumstances that I can make for the insured and his beneficiary, and has my recommendation been wholly uninfluenced by the desire to increase my own compensation? A disregard of this serious view of your vocation may be likened to that of the lawyer who aims to enlarge his fee by unnecessarily counseling a long drawn out procedure; to that of the physician who unduly prolongs the period of attendance, or to that of the teacher whose instruction is grossly imperfect or behind the times. It is the absence of this high motive which soon causes a representative of any noble vocation to look upon it as a "game," and it is sickening to hear so many reveal their attitude by casually referring to the "game" of the business in which they are engaged. Such language and such thoughts should be ostracised in the field of life insurance.

Numerous ways of serving the insured have, no doubt, suggested themselves to you during the years of your experience. So much has been said and written recently about "fitting" the form of policy—whether term, whole life, limited payment, endowment, etc.—that I shall not emphasize this phase of the subject. But, besides familiarizing himself with the circumstances surrounding the insured and assisting him to select the right type of policy, there are, in my opinion, two matters which the agent should bear in mind at the time of effecting the sale. These two things are not generally known and appreciated by the public, and advice in regard to them is, therefore, desirable. The primary purpose of life insurance is the protection of the family, and where a wife, children or other dependents are named as beneficiaries, it is highly important that the real purpose of the policy, viz., their protection, shall be realized. To this end the agent should be sure, in my opinion, to do two things:

Safeguarding the Proceeds.

(1) He should bring clearly to the attention of the insured the importance of properly safeguarding the proceeds of the policy upon its maturity. He should explain the advantages of the ordinary and continuous instalment policies and should contrast these with other forms of settlement, and with other methods of investment as regards safety, economy and convenience. The longer I study life insurance the more firmly do I believe in the advantages and efficiency of income policies. It is stated on good authority that about 60 per cent. of the insurance funds left to beneficiaries is lost through bad investment or other dissipation within six years following the death of the insured. This experience is also true of other funds left to the beneficiary. On every hand we can point to examples illustrating how easily and frequently the competency which a husband or father has provided through saving or insurance is lost or foolishly spent by the heir or beneficiary. Modern income policies, especially where the circumstances justify the use of the continuous income feature, are a guarantee against such a calamitous contingency. To bring this matter convincingly to the attention of each applicant for insurance is a real service.

Changing the Beneficiary.

(2) The agent, in my opinion, should, for the sake of the family, give to the policyholder a clear understanding of the legal significance of the privilege reserved in the policy of changing the beneficiary at will. The right of revocation is treated differently in the contracts of different companies. Many contain a printed provision reserving to the insured the right of revocation at will, usually on the ground that such a practice is supported by reasons of expediency and equity, in that the insured should, as a matter of right, have the privilege of doing as he wishes with his own. The primary purpose of life insurance, however, is to protect the members of the family named as beneficiaries, and the change of beneficiary clause should, therefore, be viewed from the standpoint of the claims of creditors. Judging from recent court decisions, it is probable that a clause reserving full power to the insured to change the beneficiary at will subjects the policy to the claims of creditors and causes it, in case of the insured's bankruptcy, to pass by order of the court to his assignees. Reference is frequently made to the decision of the United States Circuit Court of Appeals on Nov. 9, 1909. (In re White, 174 Fed. 333.) In this case the court even held that a policy which is not the absolute property of a married woman or her children is not exempt from the operation of the National Bankruptcy Act by virtue of the law of New York, which was enacted for the protection of the interest of a married woman and her children in the husband's policy against the claims of his creditors.

In view of this tendency to interpret a transferable beneficiary clause as giving the trustee in bankruptcy the power to distribute the cash value of a policy among creditors, it follows that a policy taken out for family protection; if

containing such a clause, will have connected with it a hazard that the insured, in view of the future possibility of bankruptcy, should bear in mind and carefully consider. The introduction of a clause giving the insured a free hand to change the beneficiary, or to surrender the policy or use it for borrowing purposes, introduces an element of uncertainty in a contract that in most instances should be made absolutely secure for the benefit of those for whose protection it was expressly taken out and who have the right to expect that the insurance fund, which is their sole provision against want after the decease of the breadwinner, shall not have constantly hanging over it an element of uncertainty. Not to protect a policy against creditors may often result, as has been well said, "in accumulating trouble for a time when misfortune would be amply abundant." The possibilities of future bankruptcy do not seriously occupy the thoughts of the average person, yet statistics reveal a surprisingly large number of business failures. Computations show that during the past 30 years the number of actual business failures as compiled by Bradstreet's, averages annually 1 per cent. of the total number of businesses listed by this organization. As has been well said, "the probability of business mortality is as great as that of adult human mortality at its average age. In fact, it is identical with the 1 per cent. shown by the American tables of mortality on selected lives at age 41." It is also noteworthy that in a year like 1907 about 19 per cent. of the total number of failures and over 55 per cent. of the failure liabilities were traceable to disasters, failure of apparently solvent debtors, and undue competition, i. e., causes which cannot be regarded as due to faults of those who fail. On the other hand, nearly 65 per cent. of the total number of failures in that year were either due to incompetency or lack of capital.

Purposely Omitting Clause.

If the foregoing contentions are correct, I am inclined to favor the attitude of those companies which purposely omit a change of beneficiary clause in their contracts, and which require the insured to specifically state his wishes in regard to this privilege. While the right of revocation and the refusal to give the beneficiary a vested interest in the policy may in occasional instances prove very useful, I feel that the applicant's attention should be called by the agent to the fact, as one company has recently stated, that "a policy containing the unconditional reservation of the right to change the beneficiary produces an instrument identical with the one in which the estate is made the beneficiary." Then, if the applicant still insists on having the privilege, it should be freely granted. But under those circumstances the insured asked for the privilege with an understanding of what he was doing and what his request might mean to himself and family in the future.

Real Service Never Ceases.

In addition to the foregoing factors permit me to offer one more suggestion relative to the agent's service to his client. Is this service completed when the policy is sold and issued, or should the agent, if the circumstances permit, consider that his advisory relation to the insured and the beneficiary still continues? According to my way of thinking, the latter is desirable and most consistent with the dignity of the profession, and in the long run, the welfare of the agent himself. Here, again, your experience has, no doubt, suggested numerous ways of serving the insured. But, having in mind again the primary purpose of life insurance as a protection to the family, I would like to call attention to two forms of service. After life insurance has been acquired it is essential that its protection should be conserved. As you know, this protection may be lost (1) before the maturity of the contract, and (2) after such maturity. My two suggestions apply, respectively, to these two contingencies. In the first place, it has become a common habit to borrow on policies. The loan privilege is necessary and has its proper

uses, but in ever so many instances the privilege is exercised because some unnecessary luxury is desired, or because the security market seems low, or because some other apparent opportunity to make money quickly seems to present itself. And even where these considerations are not the motive, the insured frequently uses this asset because it is so easily obtained, never considering at the time the relation of that asset to his beneficiary and often overlooking some other available asset which should have been used in preference to the cash value of his policy. The enormous increase in policy loans in recent years would warrant this conclusion. Between 1903-1913 loans against policies for the 260 companies referred to in the Insurance Year Book increased 313 per cent., as compared with an increase of only 106 per cent. in total admitted assets and 73 per cent. in total insurance in force. In other words, loans against policies increased relatively nearly three times as fast as assets and about four and one-third times as fast as the volume of insurance. In the last four years the increase in such loans aggregated approximately \$212,000,000, or over 20 per cent. of the increase in admitted assets during the same four years.

Danger of Loans.

Much attention has been given of late to this alarming situation, and an educational campaign may do much to counteract this undesirable tendency. But it seems to me that in this respect nothing can take the place of the agent who has negotiated the contract and who, if again placed in touch with his client at the time the loan is contemplated, can emphasize to him such facts as: "Life insurance should be regarded as a sacred possession to be mortgaged only in case of extreme necessity"; "borrowing on the policy depreciates its value, in the great majority of instances results in a lapse and defeats the original purpose the policy was intended to serve," and "borrowing on the policy if not actually necessary is an act of flagrant injustice to the beneficiary." Such arguments, if amplified and forcibly presented, are apt to prevail, especially if the agent renders the further service of ascertaining and suggesting the use of some other asset which the insured may possibly have available for his pressing requirements. These remarks, of course, are based on the assumption that almost the last thing a man should mortgage is the life insurance taken out by him for the protection of a dependent household.

Secondly, the agent is afforded another opportunity for service by advising the beneficiaries under his client's policies in respect to the safeguarding of the proceeds. As already stated, about 60 per cent. of insurance funds are lost by the beneficiary within six years following the insured's death. If the client did not avail himself of an income policy, there is special need to keep the lump sum payment intact and to conserve its income producing capacity. Here a knowledge of conservative investment is a desirable feature of an agent's equipment. Placing this knowledge at the beneficiary's disposal will be appreciated and warmly recommended to acquaintances.

Attitude Toward Fellow Agents.

Lastly, let me refer briefly to the fourth concept underlying professional conduct, namely, that the life insurance salesman should be actuated by a spirit of loyalty to his fellow insurance men and of helpfulness to the institution of life insurance and enthusiasm for the greatest possible dissemination of its benefits. General compliance with our several concepts of professional conduct will be the surest means of protecting the entire group against distorted and unfair views of the public. But even more than professional conduct is required. You should ever be students and teachers of your subject. Never forget the close relationship between the theory of life insurance and its practice. "In the pursuance of your vocation," as I stated on a former occasion, "despite the fact that you are justified in viewing your efforts from the standpoint of commercial gain, you nevertheless are and always will be as a class essentially teachers, persuaders of men and the missionaries of a noble propaganda. If this view is correct, it follows that the more you

know about your complex subject the better for the people whom it is your duty to serve. The agent should not only be a student as well as a teacher all his life, but he should grasp the truth of the saying that 'theory without practice to test it, to verify it, to correct, is idle speculation; but practice without theory to animate it is mere mechanism. In every art and business theory is the soul and practice the body.'"

It has been said that "nine-tenths of the man exists above the shoulders." It is the part above the shoulders that needs to be developed and kept abreast of the times if the service idea is to be given the widest and most beneficent application. Constant study will better fit you to know the innumerable uses of life insurance, and to know your contract, your client, and the technical phases of your subject in its relation to your field work. It will give you power and cause you to love and respect your calling. It will set you to thinking, and with the mind centered on the subject, suggestions will come from the most unexpected sources. And do not restrict your studies to too narrow a groove. Rather acquaint yourselves also with a knowledge of investments and with the facts surrounding the organization and management of various business activities, especially in view of the growing importance of so-called "business life insurance."

Life Insurance Education.

In closing let me make the further suggestion that each and all of you do your share as promoters and teachers of life insurance education to help cover this nation with life insurance. Life insurance education among the masses, I feel, has become firmly rooted and is a powerful movement. It is important that you should assist in getting this subject on the program wherever and whenever possible, and in having it properly presented from the pulpit and lecture platform, the schools, colleges and press. Note the great and disinterested educational work that the medical profession is doing in preventing loss of life and misery through disease. That is the right spirit, and it should also be your aim to educate the public in protecting itself against the loss and misery occasioned by the premature death or improvidence of its productive members. You, however, may proceed with the certain knowledge that your efforts along this line will not only raise your calling in the estimation of the community, but will result advantageously to yourselves.

New Convention Committee Appointed.

H. R. Hunter, president of the San Francisco association, has appointed a new Committee on Arrangements for the 1915 convention of the National Association. This action was taken following a meeting of local managers and general agents held on Feb. 27, to discuss plans and finances for the coming convention. Tentative plans were made for the raising of \$3,500 for the general expense fund.

Warren R. Porter, of the Western States Life, was appointed to succeed W. L. Hathaway, of the Mutual, as chairman of the Convention Committee, the latter having recently tendered his resignation. The other members appointed to the committee, which is in reality the Executive Committee, are: George B. Scott, of the Metropolitan Life; E. H. Lestock Gregory, of the Aetna Life; F. H. Beaver, of the Pacific Mutual, and J. B. Thomas, of the Northwestern Mutual.

R. O. Miles, of the Connecticut Mutual, was appointed to the Executive Committee to succeed F. A. Stolp, who recently resigned from the association.

Insurance Lectures at Albany.

Seventy-five students of the Albany Business College attended a lecture on "Life Insurance," delivered by Henry H. Kohn on Feb. 19. This is the first of a series of lectures to be conducted under the auspices of the publicity and education committee of the Capitol District association. Mr. Kohn dwelt upon the history of life insurance from its beginning to its vast development of the present day. Lectures by E. B. Cantine and S. G. Langdon, both of Albany, will follow.

CREDIT AND BUSINESS LIFE INSURANCE.

Business Life Insurance Related to Credit Because the Former Is the Substitute for the Earning Power of the Individual—Its Use in Indemnifying a Corporation Against the Untimely Death of an Active Head.

The following address was delivered before the Retail Credit Men's Association of Minneapolis by Warren M. Horner, general agent of the Provident Life and Trust in Minnesota, Iowa and South Dakota. Mr. Horner is widely recognized as an authority on the subject which he discusses. It will interest the readers of the "NEWS" to learn that retail credit men throughout the United States will have a copy of this address put before them in the "Credit World," the official organ of the Retail Credit Men's Association.—Editor's Note.

You will observe from the subject announced by your president that in my remarks this evening, I am conforming to the conventions followed by so many speakers of first imparting knowledge to an audience upon something in which they are vastly more enlightened than himself, and then passing into a discussion of a topic about which they have little or no concern.

I wonder how many of you would give the same definition of credit. Surely all would use the word "confidence" in the definition. You might say credit is confidence, and stop here, but this would suggest confidence in what? But you cannot enumerate, so I would offer the definition that "credit is confidence in plans and promises."

Careful analysis would show that confidence in real or other property has to do with plans and promises just as it does in the development of ideas, so that in every journey into the realms of thought on the subject of credit, you come back to the simple proposition of confidence in a fruition of plans and promises.

Can't Separate Credit and Confidence.

You cannot separate confidence and likewise credit from the individual equation, nor the fact that property and values are a result of men's earning power applied to latent forces of nature.

Credit mediums, especially those which control the foundation money, have exhibited a lack of confidence at times, and caused what some call money panics, but what in reality have been credit panics. There have been no real business panics in the United States since 1896, and the credit panics would have been no less severe, to a marked degree, had bankers not, themselves, spread distrust by their utterances and in withdrawing of credit.

It does not require great constructive ability to accept business deposits and the people's money during good times, and lend this money in beaten paths established for generations by an unscientific method, so that it is a mere accident if any single loan is not too little or too much, and pass up entirely a large army of small and deserving borrowers.

The point I have in mind to emphasize is that, under the credit system in this country, there is an unequal distribution and an enormous waste in energy, owing to the fact that many are allowed to over-borrow, and a very large class cannot obtain credit for the development of new enterprises, though backed by sound business ideas.

The new banking law and the postal savings bank will, or could, do much toward eliminating credit panics, that is, the withholding or withdrawing of credit from deserving enterprises, because of a mere temporary scare.

Cycles of business depression will always occur; but in the United States they seldom, if ever, need to be intensified to a point of panics, because of the resources of the country and the virility of its people.

An approximation of results possible of attainment can be reached by following more closely the German method of credit. This requires more expert knowledge of various lines of business and more intelligent supervision by bankers and a broader policy of leaning on individuality, and in development of new forces, rather than upon dead assets.

Men do not object to supervision in their business, if they are given sufficient support. But with only half the accommodation they desire, they resent and regard as impertinent the attempt to control which is not predicated on a knowledge of the thing they are doing. Intelligent supervision, with adequate financial support, is an entirely different matter.

I recognize fully that the vast territory, resources and scattered condition of population, together with general dissimilarity of ways and ideas, make an actual parallel impossible with a country of very small territory and congested population.

An Enormous By-product.

However, there is an enormous by-product to be developed in this country, namely, the intelligent and adequate backing for small and deserving borrowers. This will create a more equal distribution of wealth by raising the average earning capacity, and this wider diffusion of credit or confidence on a more scientific basis, will minimize the hoarding of money in times of stress.

A change to a more basic principle, one that lessens the ratio of losses from failure on big accounts, and loans more money to small depositors, is desirable, and will have a wholesome effect in creating greater efficiency among all classes, and tend to promote a spirit of co-operation between individuals, a good for which all forward-thinking people should be striving.

Most of you gentlemen I understand, are interested in commercial or retail credit; but, as such, are vitally concerned with the scope and sanity of financial credit.

If financial mediums are pessimistic, and spread the alarm to you, and you convey the distrust to your customers, it does not take long to precipitate a credit panic which may become a real business panic. This makes you an important safety valve in the prosperity, comfort and happiness of the people and calls for great discernment of human nature and a wide knowledge of economics in national, international and local affairs.

The foregoing statement and any other animadversion in this paper is not made as carping criticism. I realize the high character of the leading bankers of the country and the stability of the institutions they represent. I recognize also that, owing to the newness of institutions in this country, it is not unusual that we are behind old-world conditions among leading nations.

A Great Opportunity.

The fact remains that there is great opportunity for constructive business acumen in a wider, more intelligent and equitable diffusion of credits.

One of our local banks, I understand, has recently appointed an active vice-president as a specialist, or expert, in a particular line, which is a commendable movement in the right direction. This is in keeping with the practice indulged in more generally by some of the larger banks in other cities and we may have the fullest confidence that American manhood will rise to the occasion in reasonable solution of credits with the same capability that has characterized our national existence in other matters.

You, as credit men, are vitally interested in financial credits, and the spirit of confidence exhibited in connection therewith just as you are tremendously interested in the success of the individual enterprises you represent, giving the widest possible latitude with the smallest ratio of loss.

It is comforting to note that credit mediums are talking and acting more optimistically. Big business men are advocating a resumption of both confidence and operations.

Newspapers—some, at least,—are printing more war news on the inside pages and more prosperity talk on the first

page. Let the good work go on. My own opinion is that the individual who reads morbidly in the daily papers, pays little heed to legitimate news or advertising copy.

If those newspapers whose advertising is falling off would study this proposition more closely, we would probably have less manufactured war news, more business and prosperity items, and a far more extended exploitation of the enormous resources of the country, its immeasurable, latent forces, and the wonderful possibilities of our internal development with a more general and efficient application of man power, backed by credit or confidence.

No one has a right to be called a man whose heart does not bleed every day for the women and children, red-eyed, haggard and hungry, across the Atlantic; for the soldiers in the trenches being mowed down by tens of thousands, and even for the misguided rulers who have made the condition possible. But we have our duties to perform at home, and possibly in behalf of those very people. These duties we can only perform as we can and should by being strong and efficient in our business policies and accomplishments, as well as in our national cohesiveness.

Confidence, gentlemen, is what we want, and we cannot get confidence or efficiency by cramming our minds with war news.

Use More Printer's Ink.

I am a firm believer in printer's ink; in the enterprise; educational value of news; editorials and advertisements in our great metropolitan dailies. This is not just a white-washing statement, nor one intended to curry favor with the press.

In our own business, my yearly budget for advertising is large. Furthermore, much of my time the last three years has been spent in awakening a spirit of partisan advertising among insurance companies and agents and in promoting a national educational, institutional or non-partisan advertising campaign. I feel a most earnest hope that more than ever before the news mediums of the country will print information in abundance of the resumption of business, facts about our manufactories, facts about our commerce, facts about our natural resources, and facts about our agricultural products; that they will encourage efficiency and economy and the development of industries heretofore neglected or unknown, the by-products of our economic life.

In mentioning by-products, let me emphasize the greatest by-product of all, human efficiency, the potentiality of individuals engendered beyond the usual or created where there has been little or no earning power.

Necessity of Efficiency.

Without education for efficiency, you have ne'er-do-wells, paupers, mendicants, over-abundance of criminals, and a mass of individuals whose minimum, instead of maximum, of accomplishment is attained.

These things are said to you, because efficiency begets confidence, confidence inspires credit, and credit makes business; and they all develop the individual equation, the potentiality of man power, the greatest of all values.

It is the importance of this earning power of the individual that makes business life insurance the offset of, or substitute for, man's earning power or creative genius important; that makes business life insurance have to do with credit.

In discussing business life insurance, let me first give you a short definition of insurance.

Insurance is the furnishing of indemnity to persons suffering loss by apportioning the loss over a large number of people.

Life insurance is dividing the risk which cannot be borne by one or a few individuals among a large number of lives.

Of all forms of human endeavor, life insurance is the least comprehended and understood. It is unquestionably true that in its amelioration of mankind, and as a safety valve in the various activities in the world's progress, it is not equaled by any single agency.

Those who would treat lightly the subject of life insurance, I ask to reflect for a moment on the word "life"—human life.

The earning power of human life created the ten billion dollars taken from the soil last year.

Human life built all the structures, dug all the mines, and created the commerce of the world.

Harness all the machinery to Niagara Falls that its thundering waters will turn, and you have no greater value than the brain of one human life—Thomas A. Edison.

Life insurance affords protection to dependent lives, which cannot be provided so surely and securely in any other way.

Indemnifying a Corporation.

Life insurance protects the builder when he can no longer build and now its great sheltering arm has proven a business expediency in indemnifying a corporation or enterprise against the untimely loss by death of its active head or heads. It is this modern application of life insurance of which I am to speak to you.

It is undoubtedly due to the fact that the original function of life insurance being a death benefit for dependent ones, or, as you might say, death insurance, had much to do with the unnatural and unnecessary aloofness and prejudice which has grown up about this great business.

Fortunately, a greater standardization in the business, and a better understanding on the outside, are dispelling this prejudice rapidly, and the business uses of life insurance separate from the mere personal policy are playing a strong part in creating a spirit of co-operation between the people on one side and legitimate life insurance representation on the other.

Mr. Hepburn, chairman of the board of directors, Chase National Bank of New York, recently in an address on Relation of Life Insurance to the Credit Fabric of Business, made the following statement:

Credit Defined.

"Credit may almost be defined as men's faith in man and in man-made institutions.

"Underneath the great superstructure lies the credit foundation, consisting of ability and determination on the part of men to meet their obligations at maturity.

"It has been the custom of business men in extending credit to lay much stress upon financial ability to pay, and this element, coupled with laws which make it possible to enforce payments when property is available for that purpose, is of great importance. But does not the average business man put too much emphasis upon a man's financial ability to pay, and too little upon those personal traits which are comprehended within the general term of determination to pay? In other words, do we not pay too much attention to property qualifications, and too little to personal qualities?

"The law's delays and the circumvention permit property to melt away, but the element of personal honesty and the quality of efficiency do not change with time. Further, banks have long been accustomed to ask large borrowers for a statement of the life insurance they carry, and it seems to me that commercial agencies like Dun's and Bradstreet's should ask for similar information for use in reaching a conclusion as to the credit rating to which a man is entitled."

Life insurance stripped of all mystery and reduced to a concrete business reality is nothing more than the conservation of human life, or man's energy.

I saw a statement recently giving the actual capital investment necessary to make the ordinary full college professor. The amount totaled \$10,000.

The article in question called attention to the necessity of each college professor carrying \$10,000 life insurance because of this actual capital investment for equipping him for his work.

There are other interesting statements in this article, but the main point for us to consider is that this recognized the actual capital value of a college professor's brain as a

mere cash investment entirely separate from the actual constructive work he might do as an educator. And that life insurance was the only effect to this capital investment which was wiped out completely at death.

Now the same thing is true of every professional man, and his brain does not only represent the capital invested in equipping him professionally, but his property value, or present worth, at all times is an amount far in excess of his original capital investment according to his ability professionally and the family responsibilities resting upon him.

Exactly the same thing is true of the business man handling important interests of his own or with regard to corporate enterprises. This is not the same wiping out entirely of assets in a business enterprise, but the risks at stake, because of this very fact, are frequently much greater, not only on account of the trained brain of the managerial head, like the trained brain of the educator or professional man, but it is the larger interest or tangible quantity all too frequently left in jeopardy so that whichever way you turn, you find in some degree, great or small, the loss of capital and risk incident to personal lives or business affairs when a human being dies. A loss which can only be, in whole or in part, safeguarded by life insurance.

Hence the statement that life insurance in reality is the conservation of human life, or man's earning power.

A Distinction.

Business or corporation life insurance is the application of the principle of personal life insurance, but distinct and separate therefrom by insuring the head or heads of an enterprise, the premiums to be paid by the business and all benefits of whatever nature from the insurance to accrue thereto.

For a number of years the idea of business or corporation life insurance has been gaining a strong foothold. The increasing sentiment in favor of this form of life insurance is due to logical reasons which impel a business or enterprise to avail itself of this modern form of indemnity. It is perfectly sane and rational to assert that the leading men in control of any concern, those who exercise the driving power and give a business its vital forces, are the most valuable asset of the business. Individuals create property and enhance its value. No one disputes the advisability of fire insurance for property. I submit, therefore, that life insurance on the individual, payable to the company, is more necessary than fire insurance for property. Fire may never come; death must occur."

The foregoing paragraph is an extract from a proposition written seven years ago after careful preparation, and I have been unable since to better state my views upon this most important subject.

The practise of business life insurance is in tune with our present-day political philosophy man's rights (or value) above property rights (or value).

However, there is a preponderance of evidence in the life of trade and in the promotion of legitimate enterprises upon which to base this modern safety valve in the world of business.

Must Fit the Case.

A policy of life insurance purchased as purely a business policy, like personal life insurance, must be founded primarily upon the death benefit, and must, like the personal policy, in kind and amount, be selected to fit the case in hand.

It is undoubtedly true that in the majority of cases a business, large or small, is better protected against all conditions to be met by that form of policy which embraces the dual protection of the death benefit and a sinking fund, or emergency fund.

I desire more especially to cite evidence in support of a sinking fund as a general proposition.

The rationality of the death benefit of a life insurance policy for the leading head or heads of all business ventures is axiomatic.

It is also a corollary that the form of life insurance which best serves the interests of the insured during life, taken in conjunction with its death benefits to those who are dependent upon his activities, is the most practical to buy.

This is true in personal insurance and especially true in business insurance.

Recently I was entertained and instructed by a prominent official of a railroad, who, in a reminiscent mood, told me of his experience in conducting the finances of his railroad during a severe panic. The limitations of this article do not permit of all the interesting details.

Two Points of Advantage.

The main point for illustration is that when the matters were put in his hands he found no working balance, and the first thing he did was to create one from current revenue, and this balance was never depleted, except when it was absolutely necessary to avoid suit, in which event no more funds were paid out until the working balance was recouped.

Now, there are two points of advantage in his system.

He had a working capital and the credit and advantage of an emergency fund.

One of the greatest weaknesses in our business system is the lack in the ordinary concern of sufficient working capital, but more especially in not having a sinking or emergency fund.

You understand, in recommending a desirable form of policy, the one embodying the features of the sinking fund and the protection against the time when the individual may withdraw from the business because of age limit, or on account of lessening or ceasing of earning power, you are not advocating the expenditure of money which is a mere bill of expense, but the means of an expenditure of money, every dollar of which is returned, with something besides.

This eliminates waste incident to dollars spent for premiums on fire insurance.

I have a table here which visualizes very clearly the ledger application of a well-selected contract, running from ages 40 to 60.

After the sixth year there is no charge to "expense," but the actual guaranteed increase in value each year is greater than the net premium.

Assets Greater Than Expense.

In other words, although a concern pays a premium, it has nothing to charge to "expense" because the amount carried to "assets" is greater than the amount paid out. It matters not whether the bookkeeping is single entry or double entry, the final result is the same, namely, a credit to "Insurance Account," rather than a debit.

Under ordinary conditions the banks and other loan mediums, through purchase of commercial paper, supply working capital.

A business, however, needs to be bulwarked against unforeseen conditions by a sinking fund removed from current capital, which is available at times when ordinary mediums cannot, or do not, supply the necessary funds.

In the panic of 1907, and again during the closing months of 1914, the large amount of money poured into the arteries of trade through the medium of loans upon life insurance policies played a very important part in minimizing the effect of these panics or depressions, and in shortening their duration.

Some of this money came from loans upon business policies, but the bulk of it came from loans on personal policies. Later in my remarks I will mention the advisability of drawing the line between business and personal insurance in this regard.

It, therefore, seems logical for a business to provide a sinking or emergency fund, and there is no better medium than through the combination of this fund with the life insurance protection.

This statement is predicated upon (a) the security, (b) the advisability in times of financial stress but unavailability

under ordinary conditions, (c) the regularity of setting aside the fund and (d) the return thereon considering the elimination of risk and detail of investment.

According to the age of the insured, and the form best suited to the age, there is a return of money paid in premiums with from 2 to $3\frac{1}{2}$ per cent. compound interest and the protection besides.

If a small tabular charge for insurance is charged out of the premium paid, then the concern on the balance is creating a sinking fund removed from current liquid capital, the return upon which is from $5\frac{1}{2}$ to $6\frac{1}{2}$ per cent. compound interest with, as stated, the detail and risk of investment entirely eliminated.

Business life insurance, like personal life insurance, rests most securely upon the uncertainty of human life and the value of the death benefit, but I believe that form of contract the most economically correct and fundamentally sound which provides not only a current sinking fund, but is so framed as to capitalize the withdrawal of the insured from the business when he will have ceased to be of great value on account of advanced age.

It has been my privilege to discuss this subject with a large number of individuals, covering a wide range of territory, during the last few years, and there is unanimity of opinion among business men as to the logic of placing a definite property value upon an individual in his relation to an enterprise, and the majority recognize the practical side of that form of contract embodying the features as set forth—that of the death benefit, the sinking fund and the maturity or definite termination of the contract at a time when it is reasonable to suppose that the activities of the insured will cease or begin to wane.

Enforced Economy.

Where "term" or "straight life" is bought it is due to the forced economy of the concern, or to the agent's lack of comprehending the real economic application of what he is selling.

The practise of business or corporation life insurance is comparatively new as a world movement, but it would surprise more than 90 per cent. of the insurance fraternity and undoubtedly 100 per cent. of the laymen to see a list of those in the United States who have actually given their patronage.

I believe that the situation with respect to business life insurance is analagous to that which we, only in the early prime of life, can recall that existed in relation to intensified farming and scientific methods in the shop and office of American industry.

We cannot look back upon the farmer or business man of a generation ago as a brainless nonentity, and yet the mere telling to him of advantages of modern ideas of intensive cultivation and scientific application of brain and muscle was not sufficient.

It required time and demonstration or education to bring about the adoption of these self-evident advantages, which have added to the profit and comfort of the entire world.

An Equalizing Force.

The rationality of business life insurance as an equalizing and advancing force is just as self-evident as other tremendously valuable innovations to which I have referred, but the practise will only become general through the demonstrative and educational ability of strong men imbued not only with the proper economic value of what they are doing, but possessed of that courage and indomitable will power which must characterize leaders in the world's work.

Finally, I believe the practise of business or corporation life insurance is founded upon broad, rational lines for the following reasons:

First—Because it is logical to place a definite property value upon a certain individual or collection of individuals in relation to an enterprise.

Second—Because the loss of their property value by death may occur at the most inopportune time in regard to general financial conditions or in relation to the possibility of securing a good substitute.

Third—Death may occur while some extension of operations is under way where the one carrying them out is almost entirely responsible for their successful termination.

Fourth—It is frequently considered advisable to acquire the interest of a deceased member of a corporation or enterprise.

Fifth—In many cases men, themselves, desire that their estate discontinue a financial interest in their business after death.

Strong Arguments.

Sixth—Because of the sinking fund feature in an endowment contract in the availability of its cash or loan value in the event of financial stress in general or in relation to strained financial conditions of a single concern in particular.

Seventh—In the case of a bond issue an endowment policy can be purchased to take care of the bonds at a certain period or to provide funds for their retirement in the event of death of the leading head before maturity of the bonds.

Eighth—The advantage as a credit proposition. We all know that credit, if an enterprise is a going one, is founded very largely upon personality. Banks and individuals granting credit give the very strongest endorsement of this form of life insurance. Bankers and money-lenders want to know that there is something coming into a business to offset the loss by death of its leading head or heads. Many firms have been forced into liquidation because of the calling in of their commercial paper on account of the lack of this very thing.

Ninth—Because property belongs to man, and not man to property.

Tenth—Because it conserves the property value of the individual to the business whether he retires by death or because of age limit.

Eleventh—Because of the effect on the habit of men carrying large policies. I mean by this that a man will, as a logical sequence, take better care of his health and habits after taking out a very large policy.

Twelfth—Because of the fact that the finances of our country are divided into investment and commercial funds. When a death occurs calling for the payment of a business policy, there is a permanent transfer of investment funds to commercial funds, which is always a healthy transaction for the life of trade.

In addition to all the foregoing, it is well to have in mind that a general application of business insurance is, in reality and effect, the same to a large extent as the purchase of what is commonly considered personal insurance.

Perpetuating the Business.

The time is past when any good citizen has a desire to die, leaving his family in comfortable circumstances through the medium of life insurance and his creditors in the lurch because of his untimely death. Life insurance, payable to a business, protects the creditor and, in effect, results as protection to the family because of the perpetuation or proper sale of the business.

I have always endeavored to be an optimist, and, notwithstanding the fact that I have deplored the great tendency on the part of the insuring public to mortgage its life insurance during recent years, I believe I see in the more general practise of business life insurance a means of overcoming this great evil in the business.

First, I believe that every business man should be educated to carry both personal and business life insurance; that these policies should be upon the limited payment life or endowment plan, and that every man should be well grounded in the idea of not borrowing against his personal insurance, but allow this to remain an asset, sacred to the protection of his family and his own old age.

Up to the present time the practise of business life insurance has been more among the larger concerns. That such business enterprises are the only logical patrons is a grievous error.

If business insurance is advisable and necessary for the large, financially strong concerns, it must of necessity be far more important to the smaller and weaker concerns whose

management and prosperity are more dependent upon one or two individuals.

I am not afraid, therefore, to venture the prediction that in comparatively few years hence the custom will be universal. In fact, it cannot be otherwise, because it is rational from every conceivable standpoint.

You have listened patiently to the discussion of something which naturally must have been dry and uninteresting to you, and I will not keep you further, excepting to admonish you on the matter of credits by a quotation:

"Our doubts are traitors,
And make us lose the good we oft might win,
By fearing to attempt."

It seems to me, without any disposition to indulge in fulsome flattery, that you gentlemen, in your vocation, have an important and magnificent part to play in the world's work. It is largely given to you to extend the great fabric of credit the 90-odd per cent. of our business affairs, more equitably and sanely, and more generally among the people of this country, and in this enlargement and expansion of credit you should have full knowledge that it rests with you, and is incumbent upon you, to plan an enormous part in the development of national efficiency and a greater spirit of amity and co-operation between classes.

I greet you as men ministering in large measure to the advancement, comfort, convenience and luxury of the human race.

Violation of Anti-Rebate Law in Chicago.

That the gift of a policy is a violation of the anti-rebate law of Illinois was the verdict of a jury in Municipal Judge Courtney's court in Chicago on Feb. 27. As result a local company and its agent were fined \$700.

The evidence developed that an application for \$20,000 was secured late in 1913. Two \$10,000 policies were delivered. The applicant, John P. Wagner, was asked to pay in full for one and to accept the other as a present. He gave his notes for \$340 for one policy, but receipts were signed for both premiums.

The evidence brought out the fact that the agent has obtained the application on the plea that his company was offering a big bonus for the agent who wrote \$100,000 that month. He needed just \$20,000 to win the bonus and promised his prospective buyer that he would not be compelled to pay the first year's premium.

Mr. Wagner, the insured, appeared as the informer, although C. Wegner, who is making a business of prosecuting rebaters in Chicago, brought about the charge originally. Mr. Wagner's name was substituted afterwards and, according to the laws of the state, will receive one-half of the fine.

This case sets a precedent and sounds the death knell to what agents believed to be a safe evasion of the anti-rebate law—the division of the policies and the presentation of one of them to the applicant without collecting any premium.

This verdict has caused an unusual amount of comment among the local underwriters. The company immediately filed notice of an appeal and the matter is now pending. The outcome of the case in the higher courts will be watched with interest.

New England Conference April 26.

Life underwriters representing eight New England associations met with officials of the National Association at the City Club in Boston on Feb. 24 to make preparations for the New England Conference, which is to be held in that city on Monday, April 26. The tentative date was accepted and the details of the conference were left to the Executive Committee of the Boston association. They will be announced later.

Among those present were Warren M. Horner, chairman of the Education and Conservation Committee of the National Association; Secretary Foss and Clarence C. Miller, of the Boston association; President Marsh, of the Portland, Maine, association; Messrs. Dana, Dustin and Arnold, from Worcester, Mass.; E. Robins of Hartford; Francis Crum, of Providence; Frederick Miller, of Western Massachusetts; and Charles Merritt, of the New Hampshire association.

EXECUTIVE COMMITTEE MID-YEAR SESSION

Meeting Held at Hotel Astor Was Well Attended—
Treasurer's Report Shows Association in
Flourishing Condition.

Scope of Education and Conservation Bureau to Be Enlarged—Arrangements Discussed for the Coming
National Convention to Be Held in San Francisco.

The Mid-Year Meeting of the Executive Committee of the National Association was held Feb. 23 at the Hotel Astor, New York City. While the meeting was held considerably earlier in the year than is usual, the attendance was nevertheless quite satisfactory.

Secretary J. Henry Johnson was unable to be present, and Jonathan K. Voshell, from the Baltimore association, was elected secretary pro tem. Letters of regret were received from Mr. Johnson, Vice-President John Newton Russell, Jr., Former President Frank E. McMullen, W. D. Mead, Charles W. Orr, Former President William D. Wyman and Former President Everett H. Plummer.

Lee C. Robens, chairman of the Executive Committee, occupied the chair. President Hugh M. Willet reported as to the arrangements which had been made for special train accommodations to the San Francisco Convention. The revised itinerary is given elsewhere in this number. Mr. Willet referred to several new associations which had applied for membership in the National body, and made reference to the Education and Conservation movement.

Chairman Robens then announced that he was in possession of applications for membership in the National Association from the following new organizations: Zanesville, Ohio; Snohomish, of Everett, Washington; Sacramento, Cal.; Macon, Ga.; Evansville, Ind; Houston, Texas; Dayton, Ohio, and Madison, Wis. It was resolved that these applications be approved and recommended for election to membership in the National body at the San Francisco Convention.

Following this, Secretary Pro Tem. Voshell read a letter with regard to Agents' License Laws, received from Henry H. Putnam, secretary of the National Association of Insurance Agents. With this communication was a copy of "The Uniform Agency Qualification Law." Mr. Putnam's observations were to the effect that the Uniform Agency Qualification Law, which his organization had recommended to the insurance commissioners, would fit life insurance needs as well as fire and casualty. He therefore suggested co-operation in securing the passage of laws which embraced the provisions mentioned. The matter was on motion referred to the Law and Legislation Committee.

There was no formal report from Secretary J. Henry Johnson, and the report of Corresponding Secretary Ensign was in part as follows.

Report of Corresponding Secretary.

It might be well to call attention to certain aids in association work which can be obtained from the corresponding secretary. Whenever there is a possibility of organizing a local association the corresponding secretary, upon request, will be glad to send sample copies of LIFE ASSOCIATION NEWS to the prospective members of such associations. Then again there is the "Story of Life Underwriters' Association" by Former National President Scovel. While this booklet was published for the information of officers of local associations and the supply is rather limited, still Mr. Ensign will be glad to fill any reasonable request.

In conclusion we desire to emphasize a ruling of the Executive Council with regard to new members taken into local associations during the association year.

The ruling referred to is in part as follows: "In the absence

of any constitutional requirement necessitating the payment of dues to the National Association on any other basis than as outlined in the first sentence of Section 1, Article 8, of the constitution, the only thing that can be done in fairness to all concerned is for the secretaries of local associations to subscribe to the News direct out of the funds of the association. This can be done on a pro rata basis."

The report of National Treasurer H. Wibirt Spence was one which met with applause. The National Association was never in better financial condition. In concluding his report, Mr. Spence requested each executive committeeman to ask the treasurer of his particular association to remit annual dues promptly, as it will be necessary to close the books earlier this year, because of the fact that the convention will be held in August instead of the usual month of September.

Vice-President Edward A. Woods reported briefly as to taxation matters, and stated that twenty-eight associations appointed a new committee on taxation for the current year; while five associations have held meetings devoted to the subject; and nineteen others have already set aside, or promised to set aside, a meeting during the year for the discussion of taxation. Mr. Woods also spoke upon the influence of life insurance in preventing dependency and delinquency, and declared that under the profit-sharing plan of Henry Ford, insurance among the employees of the plant had increased 80 per cent. At the conclusion of Mr. Woods' remarks Former President Charles W. Scovel suggested that the problem of dependency and delinquency could be used to good advantage to point out how life insurance can take the place of State insurance—the mother's pension system.

Canada Represented.

A. J. Meiklejohn, vice-president of the National Association and president of the Dominion Association, when called upon by Chairman Robens, stated that the life insurance men of Canada were just waking up to the fact that associations are well worth while; that the Dominion Association has not as yet been able to solve the license problem to its satisfaction, and that education and conservation were well to the forefront in the activities of the Canadian organization. Mr. Meiklejohn also dwelt upon taxation, and rejoiced in the fact that life insurance policyholders in Canada had just escaped a burdensome war tax by the Federal Government.

Herbert R. Lewis, as chairman of the Convention Club and Attendance Committee, told how his committee had been interested in Convention Club agreements, and the work it had done following up this matter.

Mrs. Florence E. Shaal, chairman of the Prize Essay Committee, submitted her report, in which were mentioned a number of good subjects for the prize essay contest.

In the absence of Chas. Jerome Edwards, chairman of the Publication Committee, Ernest J. Clark presented a report giving a summary of the financial transactions in connection with the publication of LIFE ASSOCIATION NEWS, the Cincinnati Convention Proceedings, and other bulletins and printed matter which had been issued from the office of the corresponding secretary. An excerpt from this report will serve to show the excellent condition of the National Association's official organ.

Progress of "News."

The past year has been an unfortunate period for the great majority of trade journals. The same firm which prints the NEWS also prints a large number of trade publications, approximately thirty magazines. This has been the actual experience of these thirty magazines for the year ending December 31, 1914. There has been an average falling off in receipts from advertising of one-third. Some of them have lost fully one-half. One of the largest has suffered to the extent of \$20,000. The NEWS, however, has broken all records.

Mr. Clark further explained that, taking into consideration only the first five months of the current fiscal year, the NEWS has under contract yearly advertising considerably in excess of

the twelve months constituting its fiscal year ending August 21, 1914. Many subscribers to Cincinnati Convention Proceedings were still delinquent, and there was an informal discussion as to the best way of collecting the amounts due.

W. G. Harris, chairman of the Membership Committee, was unavoidably detained, but reported great success in organizing new associations in the Southwest. Two new associations had been organized, one in Houston, and the other in San Antonio, and there are strong possibilities of organizing other associations in Waco, Wichita Falls and El Paso.

The report of Hubert H. Ward, chairman of the Topics Committee, was read by Secretary Pro Tem. Voshell. A score of excellent topics were presented. Following this, President Willet reported as chairman of the Transportation and Convention Arrangements Committee.

The last feature of the morning session was the report of the Education and Conservation Committee, by Chairman Warren M. Horner. Mr. Horner referred to the action which had been taken at a meeting of the Executive Council on December 12, in establishing an Education and Conservation Bureau with Corresponding Secretary Ensign serving as acting secretary of the bureau. This carried with it increased office space and provided for an assistant. As to the specific things accomplished or planned by this bureau, Mr. Horner mentioned:

1. More advertising and publicity as to benefits and uses of life insurance.
2. Increased education and facilities therefor.
3. A printed weekly bulletin of value to agents.
4. Dissemination of information to the public on such important matters as taxation and insurance laws.
5. A working out of an effective means of informing the public on conservation of insurance written, health conservation and in regard to the economic evil of undue borrowing upon policies.

Afternoon Session.

The afternoon session was called to order at 2:30, by Chairman Robens, and the various reports accepted and placed on file at the morning session were approved, namely: the reports of the following committees: Convention Clubs and Attendance, Membership, Publication, Speakers, Transportation and Convention Arrangements, Taxation, and the treasurer's report. There was a general discussion as to the topic to be selected for the prize essay contest, and on motion the following subject was selected: "Life Insurance—the Institution for Systematic Thrift."

As to the topics for five-minute discussions at the convention, it was decided that the matter be referred to the Speakers Committee, with power to act. Wilson Williams moved the approval of the report of the Education and Conservation Committee, and the motion was carried. Several questions were asked from the floor with regard to the use of the trade-mark, and on motion of Wilson Williams it was resolved that the matter of any change in the printed form for the use of the trade-mark should be discussed at a later meeting. Under the head of New Business William M. Furey, representing the Pittsburgh association, presented a communication advocating co-operation of the National Association with the National Association of Credit Men. Among the advantages to be gained by a working agreement with the National Association of Credit Men Mr. Furey outlined the following.

Life Insurance and Credit.

- 1.—Credit men all over the United States and Canada will have a greater knowledge of the benefits of life insurance and the many ways it can be applied to their own private needs.
- 2.—Credit men knowing this, and representing as they do the manufacturing, jobbing and banking and commercial interests of this country, will readily understand the many ways in which life insurance may be used to prevent the untold losses which now occur yearly through the death of a customer who did not carry life insurance.
- 3.—Credit men will urge this on their good customers to make them better—and on customers whose credit is doubtful—to make them "safe to credit," having always in mind the best interests of the customer and his family or associates—

and also the best interests of the house whose credits he is handling.

4.—Credit men will find this such a new departure and such a profitable one that it will be the subject of debates—and "Papers" which will be read at National conventions and local meetings.

5.—Credit men will eventually act with "Life" as they did with "Fire" insurance—and Dun and Bradstreet will make special mention of life insurance in their reports.

6.—Credit men who are now training understudies (who will in years to come replace them) will insist that the understudy become a trained man and they will attend such courses on life insurance as are now running at Pitt University.

7.—Credit men when opening an account with a new customer will ask that customer how much life insurance he carries—and the kind it is—and will not only insist on knowing all about it but will advise him to carry business protection and in many cases will grant no credit until such insurance is placed.

After this matter was discussed it was on motion referred to the Executive Council, with power to make such recommendations as it deemed advisable at the next convention of the National Association.

Secretary Pro Tem. Voshell read a telegram from C. I. Hitchcock, president of the Insurance Field Company, in regard to its proposed collective exhibit at the San Francisco Exposition. This matter was referred to the Executive Council with power to act, and the subsequent action of the council is recorded elsewhere in this number. A vote of thanks was extended to William L. Hathaway for the good work he had done for the cause of life insurance, and in the interest of the San Francisco Convention.

Taxing Renewal Commissions.

Edward A. Woods spoke upon the Taxation of Renewal Commissions, and referred to the Chas. Jerome Edwards case, as appearing in the February number of LIFE ASSOCIATION NEWS. He also called attention to a parallel case in Minnesota.

Mr. Woods also made reference to a form he had prepared, with a view to seeking information as to the selection and training and qualifications of agents. This form will be sent out to one thousand agents, in an endeavor to secure accurate and useful data.

Ernest J. Clark then stated that sixty-five persons had announced their intentions of attending the San Francisco Convention, and exhibited a list signed by many members of the Executive Committee present, who, with relatives who would accompany them, made up the total number of sixty-five.

Isaac Pinkus, of the Indiana association, asked for opinions with regard to life underwriters affiliating with the Insurance Federations. This idea was opposed by Ernest J. Clark and Charles W. Scovel and others, and Mr. Pinkus moved that LIFE ASSOCIATION NEWS reiterate the stand of the National Association on this subject. Following, therefore, is an official communication which Mr. Clark, while president of the National Association, sent to Mr. Willet, then chairman of the Executive committee.

In response to your letter regarding the "Federation of Insurance Agents" recently organized in Ohio, Missouri and other sections of the Middle West, it is a movement in which the National Association of Life Underwriters or its local associations can in no way share or participate.

The necessities of such an organization to the fire, casualty, surety and other lines of insurance are doubtless apparent to those engaged therein. Life insurance and its interests, however, are so entirely different and the foundation principles of the National Association of such character that in the judgment of its executive officers our interests and those of our local associations throughout the United States and Canada can be far better served by maintaining an absolutely independent existence.

The great work which we have before us now is that of publicity, education, conservation and anti-taxation as applicable to life insurance, in addition to taking the best of care of this magnificent organization which has been built up during the past twenty-three years; consequently, with

all due respect to our friends in other branches of insurance, our membership cannot afford to be drawn into any outside federation to the possible injury of our legitimate interests, opportunities or National influence.

Defects in Twisting Laws.

President Willet read a letter received from Jacob A. Jackson, of the Mutual Life in New York. The latter gentleman called attention to a bill which was about to be introduced in the General Assembly in Ohio, intended to eliminate twisting. Mr. Jackson dwelt upon the defect of laws of this character, in the omission of the words "incomplete comparisons," and the words "or any other person." Mr. Jackson told how difficult it was to secure effective action against the depredations of Kight, of Indiana; Bonham, of the same State; Gustave Meyers, of Chicago, and several other individuals and corporations. He suggested that the National Association call the attention of local associations to the matter, and secure the necessary additions to make the anti-twisting laws effective. This matter was referred to the Law and Legislation Committee, with power to act. Henry J. Powell suggested that members desiring information with regard to anti-rebate laws write to Robert Lynn Cox, consul and general manager of the Life Insurance Presidents' Association, and that LIFE ASSOCIATION NEWS call attention to the Pennsylvania law on such cases.

On motion the meeting adjourned.

The banquet given the Executive Committeemen by the officers of the Metropolitan Life, in the tower of the home office, was a fitting and enjoyable climax to the strenuous activities of the day. All of the executive officers of the company were present, and the entire affair seemed to be in the nature of a happy family gathering.

President John R. Hegeman briefly welcomed the members of the Executive Committee, and in the course of his remarks spoke feelingly of the round-robin which had been sent to him from the members at the banquet tendered to the Committeemen last April. Mr. Hegeman had the souvenir with him, and mentioned how it had reached him at Marienbad. He declared that there was not enough money in the United States to purchase the message and signatures which the Executive Committee had sent to him while he was in Europe.

Mr. Hegeman also paid high tribute to the National Association in the work which had been accomplished for the betterment of field conditions.

National Vice-President Edward A. Woods spoke of the genuine hospitality which was manifested by the officers of the Metropolitan, and referred to the spirit of co-operation which existed among the officers of the company. "Someone has said," said Mr. Woods, "that any great institution is the lengthened shadow of one great man. And that one great man in the Metropolitan is John R. Hegeman." Mr. Hegeman responded, and modestly declined this honor, but rejoiced in the fact that there had never been a single instance of a serious difference of opinion between the officers of the company which had lasted over twenty-four hours.

Vice-President Haley Fiske was called upon for a speech, and the request soon became unanimous, and although augmented by continued applause Mr. Fiske declined to talk.

Mrs. Florence E. Shaal was adroitly coaxed to her feet by a series of clever and diplomatic suggestions by Mr. Hegeman. Mrs. Shaal facetiously referred to the fact that Mr. Hegeman had not kept his promise, which was to the effect that he would not call upon anyone to speak, and she rejoiced in the fact that she had a better disposition than Vice-President Haley Fiske, who would not respond to a unanimous request for a few words.

Mrs. Shaal intimated that she looked upon the head table with a certain degree of envy, but declared that she was ambitious and some day hoped to be able to sit with the presidents and ex-presidents of the National Association. Actuary James Craig proposed several toasts, and William G. Carroll, the veteran Executive Committeeman from the Philadelphia Association, gave utterance to what was interpreted to be his swan song to the Executive Committee.

National President Hugh M. Willet, with characteristic gentle dignity, proposed the final toast.

Life Association News

A MONTHLY JOURNAL DEVOTED TO THE INTERESTS OF ALL
LIFE INSURANCE AGENTS.

PUBLISHED BY THE
NATIONAL ASSOCIATION OF LIFE UNDERWRITERS

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ARTICLE II OF THE CONSTITUTION.

"The object of this association shall be to advance the best interests of the cause of true life insurance."

Address all communications to

EVERETT M. ENSIGN, Editor and Manager.
Telephone, 4244 John.

LIFE ASSOCIATION NEWS, 56 Pine Street, New York City.

This newspaper is owned by the National Association of Life Underwriters, unincorporated, a voluntary association; Hugh M. Willet, president, Fourth Nat. Bank Bldg., Atlanta, Ga.; J. Henry Johnson, secretary, Lee Bldg., Oklahoma City, Okla.; H. Wibirt Spence, treasurer, 306 Penobscot Bldg., Detroit, Mich.

SUBSCRIPTION PRICE \$1.00 A YEAR IN ADVANCE

The Folly of State Insurance.

Since Daniel Guggenheim, president of the American Smelting and Refining Company, has advocated State Insurance as one of the necessary reforms of our present era of commercial unrest, one is compelled to realize that even a big man may occasionally be a victim of immature judgment.

Surely, Mr. Guggenheim would find, after investigation, that it would be an unfortunate occurrence for the company which he represents, were it to be managed with the reckless disregard of sound business procedure which generally characterizes all ventures supervised by political spoilsmen. One gigantic failure will serve to show just what may always be expected in State Insurance. We refer to the report of Comptroller Travis, of the State of New York, and to a summary of findings, prepared by the Deputy Comptroller Reusswig, in an investigation of the New York State Workmen's Compensation Commission.

These documents show that the half million dollars appropriated last October is exhausted. This information follows a recent request of the Commission for an appropriation of \$1,500,000. The Commission, on January 16, had over 300 names on its payroll, and the annual expenditure for salaries was indicated at \$507,530.64. Among the particular items which substantiated the charges of extravagant administration on the part of the Commission were the following: Miles M. Dawson, of New York, was paid \$10,000 for services rendered during three months. Headquarters were established in New York City, in the Madison Square district, where the rents are higher than in any other part of the city. The annual rental was \$35,000, and four other offices were maintained, making a total expenditure of \$50,000 a year.

The Commission purchased one solid mahogany table at \$267, a revolving chair at \$51.25, a couch at \$50, and many desks, ranging from \$100 to \$150 each. Nine dollars was paid for an inkstand for Commissioner Darlington's desk, while \$5 was paid for an inkstand for the desk of one of his stenographers.

At the recent general election in Wisconsin, it became evident that the people of the State disapproved of the Wisconsin State Life Fund. This was to be expected, for in two years the State Life Fund secured but two hundred policy-holders; one hundred being State University students, all insured at one time, for the benefit of a class memorial. Its record for three years is practically insignificant when compared with the business done by old-line Life Insurance companies and fraternal orders during the same period.

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405 Hoge Building, Seattle, Washington

But, with all this, there is still more to follow. Bills were recently introduced in the Legislature of Kansas and the Legislature of Nebraska, providing for schemes practically identical with the Wisconsin farce. There are also State Funds in Ohio, Washington, West Virginia and Illinois, while there are now two bills before the Indiana Legislature which, if enacted, will result in a monopolistic State Insurance Fund, similar to the Ohio State Fund. As indicative of the businesslike management of the Ohio State Fund, it should be said that its administration costs the taxpayers of the State approximately \$200,000 a year.

And the end is not yet. No! "Getting away with it" is the name of a neat little trick in parlor magic, and the average politician is always an eager and expert sleight-of-hand artist.

THE SAN FRANCISCO CONVENTION CLUB

Following is a list of members of local associations, and relatives of such members, who will assemble at Chicago on the morning of August 5, where the Convention Special will be taken for San Francisco. Underwriters throughout the country who expect to join this party are requested to send in their names and the names of relatives or friends who will accompany them. The list will appear each month, and will be augmented as additional names are sent in.

Mr. Frank D. Buser, Philadelphia, Pa.
Mrs. Frank D. Buser, Philadelphia, Pa.
Mr. W. G. Carroll, Philadelphia, Pa.
Mrs. W. G. Carroll, Philadelphia, Pa.
Miss Carroll, Philadelphia, Pa.
Fred N. Cheney, St. Louis, Mo.
Mr. Ernest J. Clark, Baltimore, Md.
Mrs. Ernest J. Clark, Baltimore, Md.
Mr. Richard E. Cochran, New York City.
Mrs. Richard E. Cochran, New York City.
Miss Isabel Conlin, Boston, Mass.
Miss Marcella Conlin, Boston, Mass.
Mr. James M. Dickey, Erie, Pa.
Mrs. James M. Dickey, Erie, Pa.

Mr. Chas. Jerome Edwards, Brooklyn, N. Y.
Mr. Everett M. Ensign, New York City.
Mrs. Everett M. Ensign, New York City.
Wm. M. Furey, Pittsburgh, Pa.
Mrs. Wm. M. Furey, Pittsburgh, Pa.
Mr. Warren M. Horner, Minneapolis, Minn.
Mrs. Warren M. Horner, Minneapolis, Minn.
Miss Helen Horner, Minneapolis, Minn.
Mr. J. J. Jackson, Cleveland, Ohio.
Mrs. J. J. Jackson, Cleveland, Ohio.
Mr. H. R. Lewis, Rochester, N. Y.
Mrs. H. R. Lewis, Rochester, N. Y.
Mr. Millard W. Mack, Cincinnati, Ohio.
Mrs. Millard W. Mack, Cincinnati, Ohio.
Mr. M. W. Mack, Jr., Cincinnati, Ohio.
Mr. A. J. Meiklejohn, Ottawa, Can.
Mr. D. R. Midyette, Richmond, Va.
Mrs. D. R. Midyette, Richmond, Va.
Miss Lucy M. Morrill, Boston, Mass.
Mr. J. P. Mulhall, Utica, N. Y.
Mrs. J. P. Mulhall, Utica, N. Y.
Mr. Geo. H. Olmsted, Cleveland, Ohio.
Mrs. Geo. H. Olmsted, Cleveland, Ohio.
Mr. I. Pinkus, Indianapolis, Ind.
Mrs. I. Pinkus, Indianapolis, Ind.
Miss Elise Pinkus, Indianapolis, Ind.
Mr. Henry J. Powell, Louisville, Ky.
Miss Mary Gunn Powell, Louisville, Ky.
Mr. Wm. H. Riley, Erie, Pa.
Mrs. Wm. H. Riley, Erie, Pa.
Mr. Lee C. Robens, Hartford, Conn.
Mrs. Lee C. Robens, Hartford, Conn.
Mr. Chas. W. Scovel, Pittsburgh, Pa.
Mrs. Chas. W. Scovel, Pittsburgh, Pa.
Mrs. Florence E. Shaal, Boston, Mass.
Mr. Neil D. Sills, Richmond, Va.
Mrs. Neil D. Sills, Richmond, Va.
Mr. H. Wibirt Spence, Detroit, Mich.
Mrs. H. Wibirt Spence, Detroit, Mich.
Mr. J. Putnam Stevens, Portland, Me.
Mr. Thomas B. Sweeney, Wheeling, W. Va.
Mr. Hugh M. Willet, Atlanta, Ga.
Mrs. Hugh M. Willet, Atlanta, Ga.
Mr. Wilson Williams, New Orleans, La.
Mrs. Wilson Williams, New Orleans, La.
Mr. Edward A. Woods, Pittsburgh, Pa.
Mrs. Edward A. Woods, Pittsburgh, Pa.
Miss Marjorie Woods, Pittsburgh, Pa.
Mr. Edward Wallis Woods, Pittsburgh, Pa.
Mr. J. K. Voshell, Baltimore, Md.
Mrs. J. K. Voshell, Baltimore, Md.



The Work of a Novice.

"Man proud man, dressed in a little brief authority, plays such fantastic tricks before high heaven as make the angels weep."—SHAKESPEARE.

The truth of this observation becomes apparent when one considers the vaporings of certain self-styled "authorities" who contribute to monthly magazines.

Moody's Magazine has, within the last few months, published a number of articles attacking various phases of life insurance. The latest article was written by William C. Streich. Mr. Streich has endeavored to show up some of the disadvantages of endowment insurance and has advanced several strictures with regard to the expense ratios and surplus accumulations of the companies.

Life insurance, particularly those phases of life insurance which were the subject of Mr. Streich's article, is highly technical, and an amateur soon becomes swamped in the meshes of his own argument, to say nothing of the wrong impression he conveys to the general public.

Henry C. Lippincott, manager of agencies of the Penn Mutual, has replied to the article in question and doubtless has convinced Mr. Streich that in writing other articles for magazines a thorough knowledge of his subject might not be amiss. Mr. Lippincott says in part:

The recent absence of any market for securities, following the suspension of stock exchanges throughout the world, caused them to be valued for all departmental purposes as of July 1, 1914. Had such valuation been made on the basis of private sales as of December 31, 1914, there would have been convincing evidence of the narrowness of the margin of safety. It is quite conceivable that those who now rail about "large surpluses" may admit that some surplus is necessary, though arrogating to themselves the power and ability to determine the amount in each case. The policyholders in their various companies have reserved this power to themselves and, through their several directorates and within the limitation of the laws, have fixed those sums deemed to be protective without being influenced by those having no more than a superficial knowledge of life insurance upon which to base their presumption to teach. The recent mutualization of the two largest companies is proof that policyholders are asserting their right to control the funds contributed by them; and in this way may be found a proper corrective, if any be needed.

Some words are wasted by Mr. Streich respecting what he calls the "flagitious practice" of loading the premium required for mortality and reserve by some 16 to 28 per cent. for expenses; but the facts do not justify the adjective employed. Is it to be expected that there should be no expense in conducting the business? If not, what shall be the limit or be incurred? And who better may determine this than the policyholders themselves who bear the cost? So far as the mutual companies are concerned, this is exactly what takes place; for there is an unmistakable and constant trend away from those very few companies which are badly managed in this regard toward those which exhibit proper economy. The percentage of loading contained in the initial premium collected is a matter of but little moment. Suppose, for illustration, that the net premium for mortality

and reserve at a given age is \$9, and that in one company it is loaded 20 per cent. and in another 25 per cent. In the one case the gross premium will be \$10.80, in the other \$11.25. Experience has shown that the larger premium may entail less actual cost from the fact that the return to the insured of unused funds (surplus) may be much greater in the one case than in the other. The smaller premium may be reduced by a surplus of 5 per cent. to \$10.26; and the larger by a surplus of 20 per cent. to \$9. This great disparity is rare in the better class of companies, but it has existed outside of them.

The attention of the New York Legislature nine years ago was directed to the matter of the expense which might be incurred for development of business. Laws were enacted defining and limiting such expense, as well as its aggregate in all directions. Other States have similar laws, and the standards thus legislatively established have been scrupulously observed, with the result that every policyholder in any company permitted to do business in New York may be assured of a full recognition of his equity. Results do vary, but not to the degree which indicates any diversion of trust funds or justly ascribed to difference in the capability of management, as shown by the rate of mortality, the interest earned, freedom from loss in investments, and the ratio of expense to income. Looking over the sworn returns of the better class of companies, which necessarily includes all transacting business in New York, the expenses apparently range between 13 and 20 per cent. Is this too much? Who may say so who stops to consider all that is beneficially done by the companies and contrasts this expense with that incurred in manufacturing, industrial and commercial pursuits generally? A patent illustration is one of the largest department stores, where high efficiency prevails, in which the administrative cost often exceeds 23 per cent.—and this in a business where the customer seeks the goods and not where he has to be persuaded and argued with and finally is induced to do reluctantly what affection and duty and interest should have inspired him to do voluntarily. There is unfortunately no statement made by Mr. Streich that may not be challenged. He claims that a "portion only" of the surplus derived from loading is returned to policyholders. The fact is otherwise. What he probably intended to say was that the entire loading should be returned, forgetting that a large portion of such loading is every year necessarily expended for development. Such forgetfulness would be consistent with what in other features has been shown to be ignorance or worse.

Serious Defects in Anti-Twisting Laws.

Some time ago we called attention to the fact that there existed anti-twisting laws in many states, which were so framed that professional twisters, such as the J. F. Kight Audit and Abstract Company, could operate with little fear of consequences. The loophole of escape was that these laws simply prohibited company officers and agents thereof from making misrepresentations, and as Kight claimed that he was not a representative of any company he could not be indicted. The New York law on this subject has this phrase in addition to the above, "nor any other person." This is also true of the Pennsylvania law.

The necessity of embracing in all anti-twisting measures the words "or any other person," and the words "incomplete comparisons," was brought to the attention of the Executive Committee of the National Association at its recent mid-year meeting.

President Willet presented a letter from Jacob A. Jackson, of the literary bureau of the Mutual Life. The letter so thoroughly explains the defects in the laws as generally adopted that it follows:

Mr. Hugh M. Willet,
President, National Association of Life Underwriters,
Fourth National Bank Building,
Atlanta, Ga.

DEAR SIR:—

I note in the last issue of LIFE ASSOCIATION NEWS reference to new measures against twisting. Mention is made of the bill which has been introduced, or is to be introduced, in the General Assembly of Ohio intended to eliminate this evil. The proposed bill will not be effective in suppressing the most pernicious sort of twisting now prevalent.

I enclose herewith a clipping from the *Western Underwriter* of recent date. The proposed Ohio statute, and I believe the statutes of every State relating to this subject, with the exception of New York and Pennsylvania, provide against twisting by companies, or officials, or agents only. These laws are entirely futile as to the work done by Kight, of Indiana; Bonham, of the same State; Gustave Meyers, of Chicago, and several other individuals and corporations. You know the trouble that these fellows have made during the past and are still making. I have had knowledge of their depredations through our own agents. When one of these raiders begins operations in a new field it is usually some days before the life men make the discovery. They then write into the home office to know what measures can be taken against such methods. They also get a meeting of the local Underwriters' Association and usually get the cooperation of the insurance department. Notices are then sent out by these several general agents and managers to their policyholders, warning them against these twisters. The insurance commissioner also issues due warning to the public. By this time Kight, or his understudy, has accomplished his work, collected his fees and departed. If perchance he has not left the notices sent out and warnings issued have little more effect than to give him some free advertising. Many policyholders have a notion that they are paying too much for insurance, and when they learn that there is a gentleman in town who can show them how to save a lot they promptly look him up.

The defect in the law as generally adopted is the omission of the words "incomplete comparison," and the words "or any other person." Kight and his crew do not admit that they are agents for any company, and they are certainly not officials, so that the law does not prevent their doing the things that are prohibited to agents, companies and officials. Again, they can do their work, as can any other twister, without making any misrepresentations, by simply omitting to state facts and figures that, if known to the insured, would prevent the accomplishment of their purpose. Hence the necessity of using the words, "incomplete comparisons."

The two phrases referred to were inserted in the New York law by Commissioner Hotchkiss, and from the day that law was enacted these gentry have steered clear of New York State. Kight blundered into Pennsylvania, not knowing that they had inserted the same provisions in the law there, and was arrested and indicted. He has escaped punishment, however, for the present because the statute under which he was indicted has been held invalid because of defective title. This has since been remedied by amendment.

A year ago I wrote to your predecessor regarding this matter, suggesting that the local life underwriters in the various States, co-operating with their several insurance departments, could undoubtedly secure the necessary legislation for the amendment of existing laws and the re-enactment of the New York law. My suggestion seemed to be received with cordiality and I was assured that the proper

measures would be taken. I do not think, however, that any effort was made in any place to secure this needed reform in the laws. On the contrary, new laws have been enacted which were merely copies of the old New York statute.

I may add that I know that in different sections of the country private individuals have discovered that there is money in this business and are working the same old game. Always recommending the surrender of the policy now held by the insured and taking in its stead a non-participating ordinary life. When a policy has been in force for some years, so that there is a considerable reserve, it is suggested to the insured that he take the new policy for the difference between the cash which he can receive on the old and the face amount of the insurance he now has. Having a smaller amount of new insurance to take, and taking it on the non-participating ordinary life plan, they can easily show a big saving in his annual payments in spite of his increased age.

I submit this matter to you in the hope that as president of the National Association you may call the attention of the local associations to the matter and secure the necessary legislation by present legislatures.

Yours very truly,
(signed) J. A. JACKSON.

The New York law as referred to is as follows:

No life insurance corporation doing business in this State and no officer, director or agent therefor or any other person, co-partnership or corporation shall issue or circulate, or cause or permit to be issued or circulated, any illustration, circular or statement of any sort misrepresenting the terms of any policy issued by any such corporation or the benefits or advantages promised thereby, or any misleading estimate of the dividends or share of surplus to be received thereon, or shall use any name or title of any policy or class of policies misrepresenting the true nature thereof. Nor shall any such corporation or agent thereof or any other person, co-partnership or corporation make any misleading representation or incomplete comparison of policies to any person insured in any such corporation for the purpose of inducing or tending to induce such person to lapse, forfeit, or surrender his said insurance. The superintendent of insurance may in his discretion revoke the certificate of authority issued to any corporation or agent on his being satisfied that such corporation or agent has violated any of the provisions of this section. Any violation of this section shall constitute a misdemeanor, and it shall be the duty of the superintendent of insurance to revoke the certificate of authority of the corporation or agent on a conviction for so offending.

A Point in Dispute.

"Looking completely fagged out," says the *Eastern Underwriter*, "members of the Executive Committee of the National Association of Life Underwriters gathered at the Hotel Astor on Monday and Tuesday of this week for the mid-year meeting of the committee. Long trips on parlor cars, an endless chain of banquets, constant letter writing on association business, all coupled with the work of running their own general agencies—a man-sized job in itself—were responsible for the general physical exhaustion which the members of the committee showed."

"His tall, thin figure, slightly drooped * * *"

"So it was no wonder they were a tired-looking lot of men. * * *"

Ye gods! This is a fine bit of descriptive writing, and in a style that reminds one of a six days' bicycle race or a football scrimmage. Yes! One instantly conjures up in his mind's eye the sickening sight of a horde of begrimed and bedraggled muzhiks being chased through the swamps of Russian Poland by a detachment of Von Hindenburg's crack cavalry.

We think that a wrong impression has been conveyed. Certainly it would be hard to find a group of men who could display such good taste in apparel. While the Executive Committee of the National Association is not selected by reason of individual discernment of sartorial niceties, we have heard it said that this meeting once became confused with the annual convention of Merchant Tailors, the organization which establishes masculine styles.

We failed to discover the slightest symptoms of physical or mental exhaustion, and other than this we believe that the Executive Committee is a particularly fine appearing group of men. Take J. Putnam Stevens, for example. It is a matter of common history that when J. Put. was a chubby little youngster his physical attractions were so many that his mother would not permit him to sit on the front porch for fear he might be stolen. We might also relate other touching incidents to prove our point, but it is hardly necessary.

Then, again, the worthy representative of the *Eastern Underwriter* did not see the members of the committee all dolled up in their glad rags for the Metropolitan banquet. What if there was a slight odor of mothballs? That proved nothing.

The remaining portions of the *Eastern Underwriter's* story are correct and in good taste, particularly the following paragraph:

It would be difficult to find any group of men giving such strenuous service without emolument for the general good of their own profession.

With the above paragraph we heartily agree. But we do wish it understood that the members of the Executive Committee of the National Association are capable of doing a full day's work, and several days' work, in fact, without even turning a hair.

A Little Story on the Hereafter.

Billy Sunday, the spellbinding evangelist, who is now electrifying the people of the Quaker city, has refused to allow the Paterson (N. J.) Evangelical Association to take out an insurance policy on his life, so that they might be protected as to the money they had advanced in connection with his forthcoming visit to that city. Mr. Sunday's observations in connection with this matter are as follows: "If they want souls saved and invite me to bring the message they must have confidence that God has chosen me as his instrument, and that there is no need for any insurance."

By the same mail which brought to us this information came a news letter from the Insurance Society of New York. In this bulletin we observe that L. N. Denniston, of Hartford, Conn., called this society up a few days ago over the telephone and stated that he was preparing a treatise on "INSURANCE IN THE HEREAFTER." Mr. Denniston desired to know if the insurance society had any pamphlets dealing on the subject. While we are told that Mr. Denniston did not specify the exact location of the hereafter he was interested in, we are not in a position to know whether or not Billy Sunday's viewpoint would interest him.

It so happens that Carl Le Buhn, an agent of the Massachusetts Mutual at Davenport, Iowa, has secured a solicitor at Durant, in the same State, by the name of George E. Hell. The company's agency paper, *The Radiator*, announces that it "Welcomes Hell," and furthermore conveys the information that it has not the slightest objection to the painting on fence boards and bill boards and barns in the Durant territory the slogan, "Go to Hell for your Insurance."

While we wish to make no inferences or implications, or be guilty in the slightest degree of innuendoes, it has been suggested that Mr. Denniston might make inquiry of the gentleman whose name we have just mentioned. There is absolutely no connection between the three instances mentioned, but it is strange how evil-minded some people are.

May Form Ohio Association.

Life underwriters representing six Ohio associations met at Hotel Hartman, Columbus, on Feb. 24 to concentrate their forces in the interest of pending matters in the State Legislature. It is not improbable that the forming of a State association will grow out of the meeting and the various representatives expressed the desire to concentrate their forces. President Hatfield, of the Cleveland association, presided at the meeting, while M. K. Donham, president of the Columbus association, acted as temporary secretary. The members went before the Senate committee on insurance and argued in favor of the Ohio agents' license bill and the anti-twisting measure. There were 22 association members present at the banquet, which was served at noon. The matter of calling another meeting to form the State association was left to the judgment of the temporary president, who will sound out the members of other associations.

CONVENTION TOUR ITINERARY

Committee Decides Upon Route of Famous "Overland Limited," with Side Trips to Salt Lake City and Other Interesting Points.

"Life Insurance Special" to Be Last Work in Up-to-Date Equipment—Will Leave Chicago on Thursday, August 5, Under Expert Tourist Management—Arrangements Complete and Hotel Reservations Should Be Made at Once.

Life insurance men throughout the country are beginning to realize that the Twenty-sixth Annual Convention of the National Association is not far distant. As is generally known, the meeting will be held on August 10, 11 and 12, at San Francisco. August 9 will be devoted to meetings of the Executive Council and the Executive Committee. The Transportation and Convention Arrangements Committee, appointed to attend to the preliminary details in connection with special train accommodations, has decided that the official route shall be the quickest and shortest to the Pacific Coast, so that the largest number may all go out in one party. The return movement will be, to quite a considerable extent, a matter of individual preference.

The route of the famous "Overland Limited" train has been decided upon, which is via the Chicago and Northwestern Railway, Union Pacific Railway and Southern Pacific Company by way of Omaha, Cheyenne and Ogden, making a side trip to Salt Lake City, spending a day there, and also a delightful one-day visit to Lake Tahoe.

At Salt Lake City there will be ample opportunity for sight-seeing about the city, visiting the Mormon grounds, the Tabernacle, making a trip to famous Saltair Beach and other points of interest. Lake Tahoe is one of the most beautiful mountain lakes in the world. It is situated in the Sierra Nevada Mountains, about 6,240 feet above sea level. The day there will be spent in a trip around the lake by steamer, and a stop at Tahoe Tavern.

Arrangements have been made so that one of the experienced representatives of the Department of Tours of the Chicago and Northwestern lines and the Union Pacific will accompany the party for the entire trip from Chicago to San Francisco.

The special train will consist of the very latest type of first-class Pullman equipment. There will be a combination buffet club car, private compartment and drawing-room cars, open section Pullman sleepers, dining car and observation car; in fact, it will be a duplicate of the famous "Overland Limited."

The cost of the tour will be \$93.50 from Chicago. This cost includes all expenses of the trip from Chicago up to the time of arriving at San Francisco, such as railroad transportation, meals, sleeping-car berth, in first-class Pullman sleeper, side-trip ticket to Salt Lake City, expenses of the trip to Lake Tahoe and return including steamer around the lake, and railroad ticket only, returning via any direct route.

The railroad fare in above rate is based on a \$62.50 round trip fare from Chicago back to Chicago, via direct routes. If it is desired to return from San Francisco by way of Los Angeles and San Diego ticket may be so routed without extra cost, or returning direct via same route, or via Denver and Colorado Springs. If it is desired to return by way of Northern routes, through Portland, Seattle and over the Canadian Pacific, there is an extra cost of \$17.50.

Railroad tickets only may be purchased from any other point outside of Chicago based on the \$62.50 fare from Chicago (or \$80 returning via Northern lines through Portland). Your local railroad representative can inform you of the through rail fare from any point, but you should be sure to have tickets read via C. & N. W.—U. P.—S. P. to San Francisco for the going trip, returning as you desire. The balance of \$31 for other expenses of the trip outside of railroad ticket should be paid to S. A. Hutchison, Manager Department of Tours, C. U. P. & N. W. Line, 148 So. Clark St., Chicago, Illinois, not later than July 20th. This will save confusion and trouble in Chicago on day of leaving.

The Department of Tours, Chicago, Union Pacific and Northwestern Lines, will be glad to arrange special trips for the return, and will furnish necessary equipment, provided a sufficient number of delegates indicate their wishes long enough in advance for arrangements to be made.

A special committee has been appointed to look after the matter of hotel accommodations for those members desiring same at San Francisco. For hotel accommodations in San Francisco you should address W. L. Hathaway, chairman Local Committee of Arrangements, The Mutual Life Building, San Francisco, Cal. Reservation of several hundred rooms has already been made at leading hotels.

The cost of the trip as quoted is based on assigning one double lower berth to each individual. There will be a reduction of \$2.60 for those occupying upper berth.

Private compartments and drawing rooms are available, for which there will be a slight extra charge, dependent upon the number intending to occupy same.

It is desirable that reservations be made as far in advance as possible, and accommodations will be assigned in the order in which reservations are received.

Applications for space should be addressed to S. A. Hutchison, Manager, Department of Tours, Chicago, Union Pacific & Northwestern Line, 148 So. Clark St., Chicago, Ill.

A detailed itinerary of the trip is given below. Send in your name if you expect to make the trip and desire copy of all further information sent to you when issued.

Ch. Chicago.....	Thursday, Aug. 5th	11:00 A. M. (C. T.)	C. & N. W. Ry.
Ch. Omaha.....	Friday, Aug. 6th	12:29 A. M. (C. T.)	C. & N. W. Ry.
Ch. Omaha.....	Friday, Aug. 6th	11:50 A. M. (C. T.)	U. P. System
Ch. Cheyenne.....	Friday, Aug. 6th	3:30 P. M. (M. T.)	U. P. System
Ch. Cheyenne.....	Friday, Aug. 6th	3:50 P. M. (M. T.)	U. P. System
Ch. Ogden.....	Saturday, Aug. 7th	7:15 A. M. (M. T.)	U. P. System
Ch. Ogden.....	Saturday, Aug. 7th	7:40 A. M. (M. T.)	O. S. Line
Ch. Salt Lake City.....	Saturday, Aug. 7th	8:35 A. M. (M. T.)	O. S. Line
Ch. Salt Lake City.....	Saturday, Aug. 7th	4:40 P. M. (M. T.)	O. S. Line
Ch. Ogden.....	Saturday, Aug. 7th	5:55 P. M. (M. T.)	O. S. Line
Ch. Ogden.....	Saturday, Aug. 7th	5:00 P. M. (P. T.)	So. Pac. Co.
Ch. Truckee.....	Sunday, Aug. 8th	9:00 A. M. (P. T.)	So. Pac. Co.
Ch. Truckee.....	Sunday, Aug. 8th	9:15 A. M. (P. T.)	L. T. Ry. & T. Co.
Ch. Lake Tahoe.....	Sunday, Aug. 8th	10:15 A. M. (P. T.)	L. T. Ry. & T. Co.
Ch. Lake Tahoe.....	Sunday, Aug. 8th	8:15 P. M. (P. T.)	L. T. Ry. & T. Co.
Ch. Truckee.....	Sunday, Aug. 8th	9:15 P. M. (P. T.)	L. T. Ry. & T. Co.
Ch. Truckee.....	Sunday, Aug. 8th	10:25 P. M. (P. T.)	So. Pac. Co.
Ch. San Francisco.....	Monday, Aug. 9th	7:30 A. M. (P. T.)	So. Pac. Co.

What the Local Associations Are Doing.

LIFE ASSOCIATION NEWS has no paid correspondents. We depend entirely upon the secretaries of local associations to send us stories of all meetings of their respective associations. If an account of the last meeting of your association does not appear in this department, ask the secretary of your organization why he did not send us the particulars.

Immediately after each meeting, on the same day if possible, secretaries of local bodies should send us a full account of the business transacted, including copies of all speeches, or extracts from the most important of them.

Atlanta.

After an extensive tour of the North, President Hugh M. Willet, of the National Association, returned home to be present at the regular monthly meeting of the Georgia association, which was held on March 2, at the Hotel Ansley in Atlanta.

The principal business of the association was the changing of the official name of the organization. In the future the local body will be known as the Atlanta Association of Life Insurers.

President Willet spoke very enthusiastically about the rapidly increasing interest in the association movement and referred to the splendid sentiment manifested at all the meetings which he attended while on his tour.

Chief interest, however, centered in the address of Joseph A. McCord, director of the Federal Reserve Bank of Atlanta. Mr. McCord reviewed the advantage of life insurance in matters of credit. He said that all banks now look upon life insurance policies as collateral in the same way that fire insurance policies are viewed.

"Life insurance made payable to other members of a firm or corporation, or to the insured's estate," he said, "may be used as collateral upon which to obtain loans, and this form of security is becoming much in demand."

The association has invited J. E. Pedder, superintendent of the Radstreet Company in Atlanta, to be the principal guest and speaker at the next monthly meeting.

Baltimore.

Matters of vital interest to life underwriters were discussed at the annual banquet of the Baltimore association, which was held at the Emerson Hotel on Feb. 20.

Among the principal guests and speakers were Hugh M. Willet, president of the National Association; Dr. S. S. Heubner, of the Wharton School of Finance at the University of Pennsylvania; Ned D. Sills, former president of the National Association, and Dr. M. H. Robinson, of the University of Illinois.

President Willet devoted his discourse to plans of the National Association and the coming national convention at San Francisco. Dr. Heubner addressed the underwriters on "How a Life Insurance Salesman Should View His Profession." Dr. Robinson, who holds the chair of insurance at the University of Illinois, reviewed life insurance from an educational point of view. Frederick A. Savage, the retiring president acted as toastmaster.

The following officers were chosen for the ensuing year at the annual business meeting: President, Fred Shaw, of the Metropolitan; vice-president, Robert H. Shaw; treasurer, M. S. Brenan; secretary, Charles E. Kregloe; board of directors, Ernest J. Clark, J. K. Voshell, A. G. Goodrich, Frank W. Wheaton and J. L. Downes.

Battle Creek.

The Battle Creek association held its annual meeting and banquet at the Association of Commerce Building on Feb. 8. The gathering turned out to be a regular "booster meeting," as the members pledged themselves to campaign for increasing the membership of the organization.

President F. W. Calvert officiated as toastmaster, introducing H. Wibirt Spence, treasurer of the National Association; Charles D. McGibeny, district agent of the Mutual at Kalamazoo, and Dr. Clarence S. Gorsline, local examining physician, as the principal speakers. Mr. Spence "whooped things up" for the National Association in a very interesting manner.

Blue Grass.

The Bluegrass association was organized at Lexington, Ky., on Feb. 26. The meeting was called by J. A. Miles, of the Phoenix Mutual, who presided as temporary chairman. Following a decision to effect permanent organization, the following officers were elected: Harry Staples, of the Union Central, president; R. K. Massie, Jr., of the Mutual Benefit, secretary, and James H. Adams, treasurer.

Boston.

Many prominent life underwriters were present at the thirty-second annual banquet of the Boston association, which was held at Young's Hotel on Feb. 24. Among the principal speakers were Hugh M. Willet, president of the National Association; Warren M. Horner, chairman of the Education and Conservation Committee of the National Association; the Hon. Samuel A. McCall, of Massachusetts; Frank A. Hardison, State Insurance Commissioner; Alex Browne, of the New York Life, and Oliver Wolcott Gaines, of the Provident Life and Trust.

Previous to the banquet representatives of eight New England associations met with the Executive Committee at the City Club to discuss plans for New England Conference, which will be held in Boston on Monday, April 26.

After a brief address by Vernon B. Sweet, president of the local association, during which he extended a hearty welcome to the guests, he introduced Mr. Willet who spoke on "Life Insurance and the National Association of Life Underwriters."

This fine tribute to the business of life insurance was recently paid by the insurance commissioner of New York, and every statement he made was fully deserved.

That great statesman, Grover Cleveland, uttered this prophecy:

"American life insurance will live to bless our people as long as American civilization lasts, and will widen and grow as long as civilized man takes forethought of the event of death."

Those who have made any study of life insurance are aware of the progress and developments in the business. Beginning with the simple desire to protect one's family, it is now employed to buttress business and protect credit. The friendly societies have evolved into large corporations

with billions of assets. The short, simple agreements have become comprehensive and scientific contracts. Careless methods have given place to most painstaking management under the closest supervision.

"Talk less war and more prosperity," was Mr. Horner's charge to the Boston underwriters, "and it will have its great effect in restoring confidence." In referring to the Education and Conservation Movement he stated that \$16,000 has thus far been pledged to carry on the work. In speaking upon the education movement of the National Association he said in part:

The gospel of right life insurance needs discrimination in this country. There is gross neglect upon the part of the insurance organizations in not taking some action which will give more readable educational matter to the public. The newspapers and periodicals of this country do not give enough attention to life insurance and what matter is published as a rule is not founded upon a true knowledge of the subject. I claim that the officers of the companies and the agents are to blame. All are to blame for the fact that life insurance, the most important human agency, receives, absolutely the least attention from the public press and other publications and has the fewest educational addresses before bodies as compared with all other activities. The public wants and needs light on life insurance.

Buffalo.

Members of the Buffalo association met recently and elected the following officers for the ensuing year: Percy G. Lapey, John Hancock, president; D. W. Cherrier, Germania, first vice-president; Charles F. Adams, Equitable, second vice-president; James N. Douglass, State Mutual, secretary and treasurer. Executive Committee: George J. Eckhardt, Travelers; Walter J. Shepard, Massachusetts Mutual; Dr. George S. Staniland, Metropolitan; Samuel Stewart, Mutual, and Howard W. Smith, Aetna Life.

Extensive preparations are being made for the annual banquet, which will be held shortly. The reports of last year's activities showed the association to be in a flourishing condition.

Ten new members were elected at the last meeting of the Executive Committee of the Buffalo association, which was held on March 9. Plans for a local publicity and educational campaign were discussed tentatively. Final action on this matter will be taken at the annual banquet, which will be held shortly. Among the new members were: Norman Minchen, A. F. Eberle, F. H. Balcon, Roswell Park, C. D. Stephan, J. A. Lockie, N. Walbridge, A. E. Vincent, J. C. Wilber and E. C. Hass.

Central Massachusetts.

Certificate of incorporation was issued to the Central Massachusetts association on March 5. The incorporators are Eli Bouchard, Dana M. Dustin, Otis D. Arnold, William C. Cerie, Edward A. Robertson, William James Hogg, Chester E. Creen, Leon J. Barrett and Edward F. Jones. They comprise the Executive Committee. The officers of the association are: Eli Bouchard, president; Dana M. Dustin, vice-president; Otis D. Arnold, secretary-treasurer; William C. Cerie, clerk.

Central Pennsylvania.

The Central Pennsylvania association held its regular monthly meeting in Harrisburg, at the Engineers' Club, on March 1. During the last year the association has enjoyed a steady growth and is a strong factor in promoting efficiency in Central Pennsylvania. Arrangements were made for the annual banquet, which will be held in April. The following officers were elected: W. V. Kenney, president; T. J. Harnish, of Lancaster, vice-president, and A. A. Wert, secretary-treasurer. Mr. Kenney is local manager for the Connecticut Mutual.

Chicago.

The tentative slate reported by the Nominating Committee of the Chicago association was unanimously accepted. Consequently George R. McLeran, Chicago manager of the Home Life of New York, heads the association for the ensuing year. The meeting was held at Hotel LaSalle on Feb. 18.

The new president in his inaugural speech outlined the policy of the current administration. He proposes to centralize the activities of the association in three committees, Publicity, Education and Membership. Mr. McLeran's optimism and progressive ideas are an assurance that the local association will make a showing during 1915. He also favors rigid qualifications for membership in the association and the enactment by the State or requirement by the insurance department of an examination before licenses are issued.

The Publicity Committee will be authorized to conduct an extensive campaign through the newspapers, trade journals and other channels of information, while the Education Committee will endeavor to have insurance taught in every one of the local high schools and higher institutions of learning.

Among the other officers elected were: W. Edwin Nichols, of the New York Life, vice-president; B. C. Howes, of the Union Mutual, secretary-treasurer; Alfred McArthur, of the National Life, U. S. A., chairman; C. F. Alexon, Northwestern Mutual; F. A. Lorenz, of the Aetna; H. F. Standish, of the Union Central; Frank F. Jones, of the New England Mutual, and T. F. Toohey, of the John Hancock, comprise the Executive Committee.

Cincinnati.

A splendid attendance was recorded at the meeting of the Cincinnati association which was held at the Business Men's Club on Feb. 26. The association has shown a remarkable growth, both in membership and interest in association work, during the last year. Covers were laid for about seventy-five persons.

Warren M. Horner, of Minneapolis, chairman of the Education and Conservation Bureau of the National Association, was the principal guest. Other notables present were Henry J. Powell, ex-president of the National Association; President Clark and Vice-president Marshall, of the Union Central.

Mr. Horner, in his speech, outlined the educational campaign of the National Association. He made it plain that only agents who contribute to the advertising fund will be expected to use the trade-mark, "The Greatest Thing on Earth," on their literature.

President Clark was cheered when he advocated the heralding of this slogan throughout the country by various associations in connection with the National campaign. The local association expects to secure pledges for \$2,500, one-fourth of which will be donated to the National campaign.

M. W. Mack, local member of the Executive Committee of the National Association, gave a report on the New York meeting. C. J. Stern reported on the meeting recently held at Columbus, at which two pending insurance bills were discussed, one against twisting and the other providing for the licensing of agents of Ohio companies. The association went on record as favoring both measures.

Columbus.

That the life insurance agent has a greater opportunity to aid humanity than any other commercial calling was the keynote of a speech delivered by Colonel Jack Shuff, postmaster of Cincinnati, at the last meeting of the Columbus association, held at the Athletic Club, on Feb. 19. Col. Shuff was formerly president of the Cincinnati association and is a staunch booster for the mission of the life underwriter.

Many women were present as the occasion was heralded as Annual Ladies' Night. The favors for the guests were roses. There were about fifty covers laid and the banquet was thoroughly enjoyed by all. President Donham presided as toastmaster.

Connecticut.

Another epoch in Hartford's activity in the insurance field passed into history on Feb. 26, when members of the Connecticut association gathered at the Hartford Club to hold their twenty-fifth annual meeting and banquet.

Among the principal guests and speakers were Hugh M. Willet, president of the National Association; Prof. Irving Fisher, of the Department of Political Economy at Yale University; Harold A. Ley, vice-president of the Life Extension Institute; Dr.

Edwin W. Dwight, of the New England Mutual, and A. T. Richards, of the Connecticut Mutual Life.

President Willet dwelt on the history and study of life underwriting and the enormous progress and developments which have been made in the insurance field. He reviewed the work and accomplishments of the National Association and its plans for education and conservation of the uninsured public. This movement is intended to enlighten the 25,000,000 policyholders of the United States as well, and to stir them into action against the unjust legislation and taxation against their own interests.

Professor Fisher spoke, in part, as follows: "It was once believed that human mortality followed an inexorable law. But this old idea of an iron law of mortality has been utterly abandoned. The estimates of Finkelburg show that human life has doubled in Europe in the last 350 years. More recent figures show that life is today lengthening more rapidly than ever. In my report on national vitality, for the Roosevelt conservation commission, a summary of European life tables shows that human life lengthened during the seventeenth century at the rate of only four years a century, but since that time it has been lengthening about four times as fast, or seventeen years a century.

"In Germany today it is lengthening at the rate of twenty-seven years a century. In the United States statistics would show that it is lengthening at a rate less than fourteen years a century. There is no reason why we cannot live as long as our brethren across the seas. The acceleration already accomplished in the rate of life lengthening in these States would seem great enough to satisfy the most ambitious, but there is a tremendous amount of work which will multiply such benefits as have been obtained a hundredfold.

"The work of the Life Extension Institute, of which Mr. Ley has spoken, offers a direct source of aid in this direction. The conservation of human life entails the scientific teaching of the principles of hygiene, and the reduction of those things which are the source of chronic or degenerative diseases. Personal and individual hygiene relates to the care of the body and its organs. It applies the results of scientific observation in guarding against sickness and premature death.

"Our work then is to stimulate the American intelligence as that same American intelligence has been stimulated in the past few decades to fight against communicable diseases, or what we generally call public hygiene. People are very fond of saying that you cannot change customs. That is what was said when the safe and sane Fourth idea began to take root. Look at the results of that idea and consider what may be accomplished in the prolongation of human life.

"This education of the public, with the aid which the Life Extension Institute offers to insurance as a business, has before it the problem greater than anything else in this world, the conservation of human life."

Mr. Ley also spoke on the work of the Life Extension Institute and told of the growth of the plan which led to the formation of a company for the purpose of conducting periodical medical examinations of life insurance policyholders. The scope of the work has been so vastly broadened that today it embodies statistics necessary to insurance companies and the administration of public health.

Dr. Dwight reviewed the great advancement of the medical side of the business and its relationship to the man who selects the risks. In attendance was A. T. Richards, the first president of the Connecticut association. He told of the work during the pioneer days and gave an interesting account of the first meeting of the State body. The annual business session was held in the library of the club. The following officers and committeemen were elected: President, Maximilian Stein, Bridgeport; vice-presidents, George W. Green, Waterbury; Eli D. Weeks, Litchfield; secretary-treasurer, A. J. Edgar, Bridgeport; Executive Committee, John H. Thompson, Hartford, chairman; C. E. Stocker, Hartford; Lyman F. Rich, Bridgeport; James B. Moody, Jr., Hartford; Thomas W. Russell, Hartford.

The Committee on Conservation and Education was re-elected, Dwight G. Holbrook, chairman; C. E. Stocker and Thomas W. Russell consenting to serve for another term, as did the members of the Taxation Committee, James B. Moody, Jr., and Frederick Griswold.

Dayton.

Thirty-five of the leading life insurance men of Dayton, Ohio, met at the Algonquin Hotel, on Feb. 19, for the purpose of organizing the Dayton Association of Life Underwriters, which will be affiliated with the National Association.

Preceding the business meeting the organization was addressed by Henry J. Powell, ex-president of the National Association. Other addresses were delivered by Dr. D. F. Garland and D. F. Rike. The latter two spoke in the interests of the Vonderheide flood conservancy bill which is now in the hands of Governor Willis. Their appeal was made in behalf of an organization representing more than 75,000 policyholders in the Dayton district.

The organization was conducted by Mr. Powell and the constitution recommended by the National Association adopted. In speaking to the underwriters Mr. Powell urged the necessity of giving up competitive methods in soliciting insurance and appealed for a get-together spirit. Before adjourning the new organization took up the matter of conservancy and voted to support the retention of the Vonderheide statute as it stands. In taking this stand the new organization will have the hearty support of 75,000 policyholders who are interested in the measure.

H. W. Lyndall, of the Travelers Insurance Company, was honored by being elected to the presidency of the new organization. R. T. Baker, of the Union Central, and Hamilton Kerr, of the Mutual Benefit, were selected as vice-presidents. J. M. Markham, of the Northwestern Mutual, was elected treasurer; W. O. Cord, of the Michigan Mutual, secretary; Fred Zering, of the Metropolitan Life; A. L. Scherer, Midland Mutual, and H. D. Pease, of the Equitable Life, as executive committeemen. President Lyndall was chosen to represent the organization on the Executive Committee of the National Association.

Delaware.

Several announcements of interest were made at the regular meeting of the Delaware association held in the DuPont Building at Wilmington on March 2. Charles A. Palmer, the local member of the Executive Committee of the National Association, gave an extensive report of the recent meeting held in New York.

The committee on education and conservation made the announcement that arrangements had been completed for a course of lectures on life insurance to be given at Delaware College, Newark. The first two speakers are to be Dr. S. S. Huebner, of the University of Pennsylvania, and Edward A. Woods, of Pittsburgh, vice-president of the National Association.

Detroit.

Seventy members of the Detroit association attended a special meeting on Sunday, Feb. 28, held in honor of Winslow Russell, of the Phoenix Mutual. The meeting took the form of a luncheon, and was served at the Detroit Board of Commerce. At the request of the local underwriters, Mr. Russell spoke on "The Part-Time Agent."

Mr. Russell declared that the greatest evil in the life insurance business today is too many rate books in the hands of incompetent agents and part-time men. He said that the making of every agency contract costs some one at least \$100 and from many of these there are no returns commensurate with this cost. In his own company he said that 69 per cent. of the men produce over 90 per cent. of the new business. He thought that the employment of part-time men should be discontinued and he pointed out some of the evils arising out of their employment. They are an expense to the company and they take the bread and butter out of the mouths of men who are giving their entire time to the business. He advocated the employment of trained agents and spoke of some of the beneficial results obtained by his own company through its educational plans. He thought it a better policy to educate agents than to try to educate the public. The best way and the only practical way to educate the latter is to send out honest agents who have been well trained. They are the best educators. He made some practical suggestions as to developing new men and said that they should be made to see a certain number of men each day. They should be taught to be straightforward and honest in their presentation of life insurance. He said that it is no more important to make a life than a living. Every man who leads a clean business and social life is helping others whether conscious of it or not. The process of man build-

ing is the moving force in the world today. Men should help to carry others' burdens. Mr. Russell was given a hearty vote of thanks for his inspiring talk.

Closely following the special luncheon tendered to Winslow Russell, members of the Detroit association held their annual ladies' night at Hotel Statler on the evening of March 2. There were 180 persons present with the women in the majority.

Jesse L. Scott, president of the association, officiated as toastmaster and introduced the Rev. William F. Dooley, S. J., president of the University of Detroit, and James Schermerhorn, managing editor of the *Detroit Times*, as the principal speakers.

Mr. Dooley chose for his topic, "Law and the Individual." His speech was confined to insurance legislation. Mr. Schermerhorn is a humorist of the highest order. After creating an atmosphere of good humor among the guests he turned to the serious side of life insurance. Mr. Schermerhorn, as a journalist, is a big booster for the cause of this great human agency.

Following a splendid musical program, given by the Royal Welsh Ladies' Choir, the underwriters and their guests adjourned to the ball room and danced until the wee hours of the morning.

District of Columbia.

At the annual meeting of the District of Columbia association, held at Washington, D. C., on Feb. 12, the following officers were chosen for the ensuing year. President, G. C. Jordan, of the Equitable; vice-president, Orville B. Brown, of the Massachusetts Mutual; secretary-treasurer, Eugene C. Adams, of the Continental Assurance of Chicago; Executive Committee, James Lee Bost, chairman, of the Home Life of New York; C. W. Huske, N. W. Mutual of Milwaukee; Holcombe G. Johnson, of the Continental Assurance, and George E. Dunkum, of the Metropolitan.

The principal speeches were made by C. W. Huske, the retiring president; Orville B. Browne, retiring secretary-treasurer, and C. G. Jordan, the incoming president.

Davenport.

Seventy-five members and guests of the Davenport association attended the first annual banquet of the new organization, which was held at the Commercial Club on Feb. 13. From the enthusiasm displayed, it is obvious that the new organization will rank with the "live ones."

S. Griffin Ball, the newly elected president of the association, presided as toastmaster, introducing Raymond W. Stephens, of the Illinois Life; Frank B. Yetter, cashier of the Iowa National Bank, and Dr. W. L. Allen, of the Guaranty Life of Davenport, as the principal speakers.

President Ball emphasized the necessity of personality in the business and related many interesting stories concerning "pioneer days" in life insurance. Mr. Yetter spoke on the "Relation of Life Insurance to Credit Fabric of Business." He continued, in part:

It has been said that "the quality of mind which induces one to take out life insurance is the quality of mind that best insures success in business." In other words, a man carrying a sufficient line of life insurance to protect his business venture shows forethought, a business acumen and a determination to meet his obligations. Consequently, when granting loans, the amount of life insurance carried is a matter of great concern to the banker.

The business of the world is dependent to a large extent upon the maintenance of credit relations among men—a man's faith in his fellowmen. Credit is the life of trade, and cannot be eliminated from our daily transactions. Life insurance is intimately interwoven with current business and, from a business point of view, the advantages of carrying a sufficient sum to protect one's family and investments, in case of death, are so evident it would seem to me that it would hardly be necessary to urge its advantages upon anyone.

Mr. Stevens spoke upon "Agency Management." He emphasized the importance of this position in the insurance world by referring to it as the life blood of the company. Dr. Allen spoke on "The Agent's Goat." He outlined the errors which generally bring about conflict between the agent and the medical director. At the annual business meeting which preceded the

banquet the following officers were elected: President, S. Griffen Ball; vice-president, J. W. Higginbotham; vice-president, Wm. McLean Stewart; secretary, George E. Ott; treasurer, A. W. Brown; Executive Committee; Frank H. Perry, C. C. McIntyre.

Erie.

Optimism was the keynote at the annual meeting of the Erie association, which was held at the Reed Hotel in Erie, Pa., on Feb. 12. Charles F. Austin was elected president for the ensuing year. The other officers chosen were: T. C. Burkhardt, first vice-president; R. T. Griswold, second vice-president; C. J. Mahoney, secretary; J. M. Dickey, treasurer; R. W. Hughes, V. W. Doolittle, J. F. Brown and W. H. Riley, Executive Committee. Short addresses were made by several members of the association.

Evansville.

The "commission shark," the agent who works for commissions alone, is doomed according to William King, St. Louis agent for the Mutual Benefit Life, who was the chief speaker at the regular meeting of the Evansville, Ind., association, held at the St. George Hotel on Feb. 15.

The day of the high commission man is rapidly passing or has already passed. In his place is the man of sterling character—courageous honesty—earnest enthusiasm—coupled with a patient, tactfully persistent manner, persuading men—fathers, brothers, husbands—to do their duty toward their own.

Such a calling must compel only men of the highest ideals to follow it. Others only try it, or at best fail in it.

The men who make the success are the men who have learned to be great servants—servants of mankind—and the solicitor of life insurance today who works for a commission instead of the satisfaction of serving is doomed to failure.

The services of life insurance touch those things which have long been regarded as sacred, and those men in our business, if there are any, who would render other than honest, courageous service to their policyholders and clients must fail.

So successful was the meeting and banquet that the association voted another to be held about the middle of March. Upon that occasion Mr. Billheimer, of the Equitable at St. Louis, will be the principal speaker. Charles B. Rudd, president of the association, presided as toastmaster. Preceding brief talks were made by Dr. Ludson Worsham, Paul DeKress and G. K. Denton. The affair was attended by about fifty persons.

Florida.

The fourth annual meeting of the Florida association was held in the Y. M. C. A. building in Tampa on Feb. 10. Preliminary to the business meeting the underwriters and their guests gathered in the banquet hall, where an excellent dinner was served.

The principal speakers at the conference were Dr. L. S. Oppenheimer, J. C. MacKay, Dr. Sumpter L. Lowry and P. E. Richardson. Dr. Oppenheimer spoke on the "Professional Ethics in Life Insurance." The doctor kept the diners in good humor with his witticisms, which he used in paralleling the ethics of the medical profession with those in the life insurance business. This address was followed by Mr. MacKay, of the Penn Mutual, who spoke on "Objections to Life Insurance and How to Meet Them."

Dr. Lowry, who is a State Treasurer and acting Insurance Commissioner, spoke upon "The Need and Effects of Life Insurance Legislation." A special invitation was extended to Dr. Lowry to be present at a special meeting of the organization called for March 17 at which all proposed legislation for the policyholders in Florida will be discussed.

The following officers were elected for the ensuing year: S. G. Turnbull, president, Tampa; O. A. Ayala, first vice-president, Tampa; J. D. Jordan, second vice-president, St. Petersburg; Walter Platt, secretary and treasurer, Tampa; Executive Committee, S. G. Turnbull, ex-officio president, Tampa; A. C. Hardee, Tampa; R. A. Ellis, Tampa; S. L. Lowry, Tampa; Jas. A. McKay, Tampa; P. E. Richardson, Tampa; F. B. Jones, Tampa; H. H. Thompson, Lakeland.

Fort Dodge.

The March meeting of the Fort Dodge association was held the 6th inst. After the regular order of business was conducted the members proceeded with a discussion on life insurance and pending legislation. A paper was read on this subject by Burton H. Saxton, secretary of the association.

Indiana.

Indianapolis underwriters gathered at the English Hotel, Indianapolis, on Feb. 8 to conduct the annual business meeting of the Indiana association. The meeting was preceded by an informal luncheon at which there were thirty-two members and guests present. From the reports it was manifest that the "cozier" organization has made splendid progress during the year.

The association was favored with an address by Franklin C. Morse, of the Provident Life & Trust. He spoke in optimistic terms of "The Outlook for Business During 1915." The following officers were elected: President, Edward H. Young, state manager for the Prudential; first vice-president, George M. Egel, general agent for the Pacific Mutual; second vice-president, W. A. Courtright, general agent for the Penn Mutual; secretary, W. E. Osborne of Edwards and Osborne, state agents for the Provident Life & Trust, and treasurer, W. C. Flynn, general agent for the Massachusetts Mutual.

Another enthusiastic meeting was held by the association on March 1. A resolution was unanimously adopted requesting that no company enter into a campaign of personal advertising until the general publicity movement of the association was firmly on its feet. There were thirty-four members present. They were addressed by J. G. Englemann, of Cleveland.

Iowa.

Resolutions were laid for thirty life underwriters at the regular March meeting of the Iowa association held at the Grant Club, Des Moines, on the 6th.

While on his way to the meeting, B. N. Waller, general agent for Northwestern Mutual, who was to have been the principal speaker, fell and was severely injured. His place was filled, however, by Thomas H. Knotts, secretary of the Standard Life of Des Moines, who gave a very interesting impromptu talk on the conditions in Mexico as he found them on his recent visit there. Rollin J. Fry, A. L. Hart, A. F. Harder, Mark M. Shaw, H. D. John, John H. Hilmes, A. J. Bailey, Fred W. Jester, J. C. Haff and F. J. Brennan were elected to membership.

Kansas.

By a unanimous vote the officers of the Kansas association chosen last July, when the organization was formed, were re-elected to hold over for the year 1915. The next annual meeting will be held in February. The roster of officers includes: Charles Moore, president; Henry H. Hall, vice-president; Charles Forrest, second vice-president; John T. Moss, treasurer, and E. Spalding, secretary.

Knoxville.

The speech of Glover S. Hastings, local agency manager for the New England Mutual, was the feature at the monthly meeting of the Knoxville association held at Zeilaz's cafe on Feb. 27.

The Knoxville association sprung an innovation in organizational work by electing all the examining physicians of that city as honorary members of the association. As a result practically every one of the medical men who were so honored attended the meeting. Mr. Hastings divided his remarks between the medical and ethical sides of the life insurance business. At the close of the meeting Mr. Hastings was tendered an invitation to be the guest of honor and principal speaker at the annual banquet, which will be held shortly.

Lima.

The annual dinner of the Lima association was held in that city on March 9. Sixteen members were present and much interest was manifested in the accomplishments of the local body. A non-partisan publicity campaign recently inaugurated has shown such splendid results that the association will undoubtedly continue it indefinitely. The principal speaker was

Mr. Feely, who spoke on "The Conservation of Business." A special committee on taxation was chosen.

Los Angeles.

Appropriate festivities marked the inauguration of the new officers of the Los Angeles association on Feb. 6 at Hotel Alexandria. More than 150 members and guests, including several women, attended the elaborate banquet, after which the underwriters adjourned to hold the annual meeting of the association. L. A. Greenwood, vice-president of the association, officiated as toastmaster. Several men prominent in California's commercial and social life were included in the list of speakers. The speeches were intermingled with a splendid musical program.

In his inaugural address W. C. Shaw, the newly elected president, dealt particularly with the local conditions of the life insurance field and its importance to the commercial and financial life of the nation. Charles Warren Pickell responded to the toast "The Ladies," while the Rev. Charles C. Selecman, pastor of Trinity Methodist church, spoke of the religious side of life insurance. State Senator Benedict, of Los Angeles, told of the pending legislative matters which had to do with life insurance. He outlined the work of the Insurance Committee of the Legislature and assured the underwriters that he would use his utmost power for the good of the cause. Senator Benedict is in charge of the various insurance bills now under consideration by the Legislature and therefore was in a position to speak with full knowledge of the situation. He made it very clear to those present that it is up to the insurance men to stick together on the important measures.

In appreciation of the splendid work done by W. C. McClelland, the retiring secretary, he was presented with a beautiful gold watch by the association. Mr. McClelland has given more of his time to association affairs than any other member. F. E. McMullen made the presentation.

Considerable rivalry was manifested between the various agency managers as to which could boast of the largest delegation present. Mr. Gunther of the West Coast Life carried off the honors with 27 of his men present. Taken all in all it was one of the most successful annual meetings held by the local underwriters and it demonstrated beyond a doubt that the Los Angeles association is a "live" one.

Madison.

Seeking diversion, members of the Madison, Wisconsin, association staged a mock trial based on various "tricks" of the life insurance field. The novelty entertainment was staged immediately after the underwriters had banqueted at the New Park Hotel. The court reporter's minutes have been interpreted as follows:

F. H. Weston, of the New York Life, the defendant, is "charged with soda water and seltzer, and with taking a promissory note without interest from an insured man." "Judge" L. A. Anderson, well-known actuary, presided; A. C. Larsen, state agent of the Central Life, acted as prosecuting attorney and N. J. Frey, general manager of the Wisconsin Life, was attorney for the defense. The jury found against Weston, but the judge set aside the verdict in the following order:

"The verdict is set aside on the ground the jury has gone outside its instructions. The evidence is clear that the defendant had been fishing and that he not only baited his hooks but rebaited them, and it becomes my duty by virtue of the authority vested in me by this society of good fellows to sentence the accused to many years of hard work procuring applications for the New York Life Insurance Company, and it is hoped that the reward will be liberal so that it will keep the wolf from the door of his home and from his loved ones."

Maine.

The annual dinner of the Maine association was held at the Falmouth Hotel, Portland, on Feb. 22. There were about 25 underwriters present and the occasion was heralded as a complimentary banquet to Arthur L. Bates, recently elected to the presidency of the Union Mutual. Charles M. March, the new president of the association, paid high tribute to the guest of the evening as an insurance official. Thomas E. MacDonald officiated as toastmaster.

President Bates, in well-chosen words, expressed his appreciation of the honor extended him. He reviewed the early history of the Union Mutual and told how the organization happened to locate in Portland. Mr. Bates started as an office boy with the company in 1869. Brief remarks were also made by the Hon. E. J. Carter, state insurance commissioner; I. E. Lang, deputy commissioner; J. Frank Lang, vice-president, and Dr. E. M. Norcott, medical director, Union Mutual; Louis M. King, New York Mutual, and Charles A. Bradley, superintendent Metropolitan in Portland.

At the annual business meeting of the association, held on Feb. 6, the following officers were chosen for the ensuing year: President, Charles M. March; vice-president, George E. Smith; secretary, Sylvan B. Phillips; treasurer, J. Putnam Stevens; executive committee, Thomas E. McDonald, Chas. A. Bradley, Ernest E. Decker; legislative and taxation committee, Freeman M. Grant, Sylvan B. Phillips, M. H. Neale; committee on conservation, publicity and education, Ira S. Sawyer, Chas. A. LaCroix, Edward C. Tracey.

Minneapolis.

Minneapolis and St. Paul life underwriters held a joint meeting of the two associations at the West Hotel, Minneapolis, on March 1, for the purpose of considering unitedly the present phases of the education and conservation movement of the National Association. The meeting was also intended for the furtherance of a more hearty co-operation between the underwriters of the Twin Cities.

Warren M. Horner, chairman of the Education and Conservation Committee of the National Association, was the principal speaker. He reported on the progress of the movement throughout the United States and the action of the committee at its recent New York meeting. The local underwriters were informed that several Eastern colleges have added life insurance to their curricula, declaring it to be an essential part of a student's education.

E. W. Randall, president of the Minnesota Mutual Life; Gerald Pierce, advertising manager of the Minneapolis Tribune, and J. C. Behan, of the Massachusetts Mutual, were among the principal guests. Each responded with brief remarks. The Minneapolis association appointed a special committee to work in conjunction with the St. Paul association in soliciting funds with which to carry on the education and conservation movement in the Twin Cities.

S. D. Works, State Insurance Commissioner, was also a guest of honor. Mr. Works pledged the hearty co-operation of his department with the Twin City life insurance men in the promotion of sane legislation for the control of the business.

Mississippi.

Members of the Mississippi association, which held its annual meeting at Jackson on Feb. 1, are wrought up about the unusual amount of "twisting" which has been practiced throughout the State during the last few months. The meeting adopted a resolution deploring the practice of "twisting," a copy of which has been mailed to every agent in the State. The resolution reads as follows:

The managers and general agents of life insurance companies in the State of Mississippi look with disfavor upon the practice of twisting policyholders of other companies, and respectfully ask the co-operation and support of all life insurance agents to the end that all efforts at "twisting" be discontinued in this State. The interests of policyholders, agents and companies will be advanced through the elimination of twisting in any of its forms.

The annual election of officers resulted as follows: President, G. C. Sweringen, of the Phoenix Mutual; vice-president, W. A. Montgomery, of the Franklin Life; secretary-treasurer, Warren Pullen, of the Security Mutual. Standing committees for the current year were appointed with the following chairmen: Finance, J. C. Cavett; membership, Warren Pullen; entertainment, A. C. Crowder; publicity, Z. P. Mills; welfare, W. A. Montgomery; ethics, C. C. Sweringen; health conservation, C. O. Wilkins; executive, Wm. H. Pullen; legislative, W. Q. Cole; law and taxation, I. A. Olover; state and national taxation, E. L. Ragland.

North Carolina.

At the annual meeting of the North Carolina association, held at Charlotte on Feb. 9, A. J. Williford, representing the Aetna at Raleigh, was elected to the presidency of the organization for the present year.

In pursuing the plan to alternate the annual meetings between Charlotte and Raleigh, the next annual session will be held at the latter place. Among the other officers elected were: H. Humphrey, representing the National Life of Vermont in Goshen, vice-president; Rufus Y. McPhearson, of Raleigh, Peoria Mutual, secretary-treasurer. The meeting adopted a resolution commending the administration of the retiring president, J. L. Quarles, and his associates.

New Hampshire.

Charles E. Merritt, of the John Hancock Mutual Life, was elected president of the New Hampshire club at the annual meeting, which was held in Manchester on Feb. 8. The club adopted a resolution favoring the Broker's License Bill now before the State Legislature. Among the other officers elected for the ensuing year were: J. B. Caldron, vice-president; C. A. Park, secretary and treasurer; E. L. Martin, A. W. Childs and G. A. Dickey, executive committeemen.

New York.

More than three hundred prominent life underwriters were present at the annual meeting of the New York Association, which was held at the Hotel Astor on Feb. 24. Among the principal speakers were Lawrence Y. Sherman, United States Senator from Illinois; Dr. S. S. Huebner, of the Wharton School of the University of Pennsylvania; William Brosmith, chief counsel of the Travelers, and Frank Hasbrouck, State Insurance Commissioner.

In Senator Sherman the life underwriters of this country have a staunch supporter. He is a keen student of insurance conditions and has shown himself to have a sympathetic regard for life insurance. The Senator was accorded a hearty ovation when he entered the banquet room.

He said in part as follows:

I would not take away from the State a power it now has unless it be shown that such a step is absolutely necessary.

It is clear that it is now both an economic and public necessity to place life insurance under Federal control, and provide for its supervision by the Department of Commerce. Referring to unequal State taxation on life insurance with the consequent evil results upon both the business of life insurance and the policyholder, he said:

I would recommend an eighteenth amendment to the Constitution providing for Federal control. We have had the seventeenth amendment providing for the direct primaries and found that it has worked very well. When I see Senators who were elected by the direct vote of the people I do not see much change in them from those elected in the old way, except that, perhaps, fewer of them desire to be candidates for the second time.

The hostile legislation of States, the burdens already imposed upon life insurance and others sought to be imposed ought to be avoided by a full understanding of the results. If it be understood that all such taxation beyond that on property values must fall at last upon the policyholder in increased premiums the public will know that it is placing burdens upon the thrift and savings, the prudent foresight and the humane instincts that constitute the most commendable traits of human nature.

Life insurance premiums ought to be a deduction in estimating net income subject to tax under the act of Congress. It is so illogical, so fraught with injustice, so unfair to deny it that its repeal ought to be urged at every time and place.

Equal in importance was the address of Dr. Huebner, who brought to light the fact that in these days when economy constitutes the chief subject of conversation life insurance constitutes the great barrier against want, privation and poverty and that the life insurance salesman follows a useful and noble calling. Dr. Huebner's address is carried in full in another part of the present issue.

Have You Heard About Our Class A Service for Salesmen?

We can guarantee

Eighteen Leads from Every One Hundred Names Circularized

One in Twelve Closed on the Average

AVERAGE POLICY \$2,500

A real service for real salesmen

Phoenix Mutual Life Insurance Company
OF HARTFORD, CONN.
JOHN M. HOLCOMBE, President

William Brosmith told of the multitude of life insurance rates and rulings which the underwriters must observe. Commissioner Hasbrouck firmly established his reputation as after-dinner speaker. His felicitations were intermingled with kind and sage reflections and advice which evidenced a keen recognition of the responsibilities of his position.

William S. Myrick, the retiring president, after a few brief remarks, introduced the newly elected president, Lawrence Priddy. Despite the fact that Mr. Priddy was suffering from an attack of indigestion he made an enthusiastic inaugural speech, in which he argued strongly for the elimination of unworthy agents from the field. He spoke at length upon the education and conservation movement of the National Association, and the relative program in which the local association is vitally interested. His comments upon the unjust burdens of taxation upon life insurance companies were received with enthusiasm. Including President Priddy advocated unanimous concentration on the only means of accomplishing the much-desired reforms.

Among the other prominent guests were James G. Batterson, general director of the Travelers; George T. Wilson, of the Metropolitan; J. V. Barry, of the Metropolitan; A. E. Woods, of the Metropolitan; and W. L. Hathaway, of San Francisco, representing the Panama Exposition. Darwin P. Kingsley, of the New York association, who was expected as one of the principal guests, was unable to attend and sent the following regrets:

February 19, 1915.

My dear Mr. Priddy:—

Some delayed matters have suddenly come to a head, and I find it possible to get away to-morrow, the 20th, for Pine-riest, and expect now to do so.

It will, therefore, be impossible for me to be with you on the evening of the 24th, when I expected to have the honor of sitting by Hon. Lawrence Y. Sherman, and hearing him speak on the question of Federal Supervision, of which he is one of all statesmen of this day the leading advocate. Knowing, as you do, my interest in the subject, you will understand

how deeply disappointed I am at not hearing the Senator's speech.

I am disappointed, too, in not being present as your guest, this being the first dinner in whole or in part under your administration.

Please present my compliments to Senator Sherman and to the members of the New York Life Underwriters' Association with whom I may be so fortunate as to have acquaintance.

Very truly yours,

(Signed) D. F. KINGSLEY.

Mr. Lawrence Priddy,
New York, N. Y.

At the annual business meeting of the association the following officers were elected for the ensuing year: Lawrence Priddy, president; William H. Ryan, first vice-president; William M. Compton, second vice-president; J. S. Tunmore, third vice-president; R. M. Simmons, secretary-treasurer, and William F. Atkinson, chairman of the Executive Committee.

The musical program was a splendid feature of the meeting and its success was largely due to the efforts of Charles F. Donnelly, of the Massachusetts Mutual, who led the underwriters in a number of popular melodies. Mr. Donnelly has a remarkable voice and is a master of the art of entertaining. He was assisted by J. P. Simpson, of the Metropolitan, who is also a trained musician. Walter L. Tougas, of the Boston association, leaped into prominence again by leading the old French song, "Alouette, Gentille Alouette."

North Dakota.

Current legislation was responsible for a special meeting of the North Dakota association, which was held in A. F. Colwell's office at Fargo on Feb. 14. Mr. Colwell is secretary of the association. The underwriters agreed that it was the most successful and enthusiastic meeting held in months. The members unanimously opposed the passage of two bills which are now pending in the Legislature at Bismarck, and will use their united influence to see that the proposed measures are beaten.

North Dakota has proved to be one of the most progressive life insurance States and the present laws provide adequate protection for the policyholders. The passage of the proposed measures would be a step backwards, the underwriters declare. Eugene Fretz, Jr., J. F. Treat, J. J. Feckler and John C. Whitney were appointed as a committee to represent the association at the coming sessions of the Senate and Assembly.

North Texas.

Members of the Texas association have amended their by-laws changing the name of their organization to "North Texas Association of Life Underwriters." This action was taken at the regular meeting held in Dallas on Feb. 13, owing to the fact an association has been organized in Houston to be known as the "South Texas Association," also because of the new organization in San Antonio, which has the official title of "Southwest Texas Association."

The association members discussed a plan, now in force in many other States, to appropriate five cents on every \$1,000 in policies issued to an advertising and publicity fund. Twenty-five per cent. of this is to go to the National Association and seventy-five per cent. to the State body. The matter was referred to a committee which will report at the next meeting.

Oregon.

Edgar W. Smith, state manager for the Equitable, was selected to head the Oregon association for the ensuing year at a meeting held at the Portland Commercial Club, on Feb. 22. Joseph H. Gray, of the Columbia Life and Trust, was elected vice-president, and Horace Mecklem, of the New England Mutual, secretary-treasurer.

Pittsburgh.

Optimism reigned supreme at the twenty-ninth annual banquet of the Pittsburgh association, which was held at the Fort Pitt Hotel on March 2. Edward A. Woods, vice-president of the National Association, and William A. Furey, a local member of the National Executive Committee, reported on the mid-year conference of that body held recently in New York. The pro-

posed amendment of the constitution changing the time of the annual meeting from March to January was unanimously adopted.

At the short business meeting which preceded the banquet Charles K. Brust was elected to head the local association for the ensuing year. The new president represents the State Life of Worcester, as general agent for Western Pennsylvania. Among the other officers chosen were: W. C. Lyne and T. J. Dann, vice-presidents; J. M. Kistler, treasurer; George W. Ryan, secretary; James C. Biggert, William M. Furey, John L. Feeley, A. S. E. Kinsey and William M. Wood together with William M. Duff, R. S. Goldsberry, E. R. Putnam, Graham Wells and D. Bates Bell, former presidents who are ex-officio members of the Executive Committee.

Puget Sound.

The life underwriters of the Puget Sound association staged a lively debate on "Ordinary Life vs. Endowment Insurance," at the regular meeting which was held in the Elks' Club, Seattle on March 4. The discussion was so keenly contested that many of the most experienced underwriters got busy with their notebooks. J. L. Greenwell, Harry McDonald and C. R. Snyder defended "Ordinary Life," while A. L. Hanbey and William Waltz fought for "Endowment Insurance."

Mr. Greenwell, the first speaker, argued that the ordinary life contract was the best because it gave the most protection for the money. It gives the insured protection all his life, while the endowment discontinues its protection when matured.

Mr. Hanbey recommended the 40-year endowment policy as the best for any young man, because the premium on this policy is but \$3 higher than on straight life.

Mr. McDonald insisted that the straight life was the best because the majority of the insured do not live to mature the endowment, and because the high cash value of endowments causes borrowing and therefore lapsing of policies.

Mr. Snyder next spoke for the ordinary life. He stated that a man knows how long he's going to need protection, therefore a man lives to be 60 and is not dependent he would have received the most for his money by purchasing ordinary life.

IMPREGNABLE

On December 31, 1914, Sun Life of Canada Assets totaled \$64,187,656—the largest amount held by any Canadian Life Company.

Over and above these Resources, the Company held Reserve Fund Assets valued at \$5,221,622 in September last by official examiners of the Insurance Departments of the States of Michigan and New York.

Assets have practically **doubled** in the past five years, have more than **trebled** in the past nine years and have more than **quadrupled** in the past eleven years.

Sun Life of Canada Policies

Are Safe Policies to Sell

- H. W. DICKINSON, Manager, Philadelphia, Pa.
- A. L. STEIN, Manager, Pittsburgh, Pa.
- F. C. HOLBECK, Manager, Lansing, Mich.
- E. E. WILKINSON, Manager, Port Huron, Mich.
- E. W. OWEN, Manager, Detroit, Mich.
- C. E. KREGLOE, Manager, Baltimore, Md.
- N. D. SILLS, Manager, Richmond, Va.

**SUN LIFE ASSURANCE
COMPANY OF CANADA
HEAD OFFICE—MONTREAL**

Mr. Waltz believed that the endowment was the best for the average man, but that it should be carried so that the principal would not all come at once. The principal might be lost by an elderly man, he argued, but if paid on the income basis the insured could enjoy his old age with a comfortable living without any taxes or worry.

Mr. Nadeau, Mr. Mead and Mr. Hughes, past presidents of the association, officiated as judges. The decision was withheld until the next meeting.

DeWitt A. Clarke, of the National Life, who kindly forwarded these notes, submits the following conclusion from the debate: "That if a man needs \$25,000 and can buy it on any plan he is better off to take the endowment."

The association is going to make a fight for the Coast Insurance Underwriters' trophy to be awarded to the coast association making the greatest strides in membership.

Richmond.

Members of the Richmond association have abandoned the idea of holding an insurance congress in that city this year. This action was taken at the monthly meeting held on March 1. The tentative proposal was advanced some time ago by E. M. Critchfield, president of the local association, who planned to have agents from North Carolina, Virginia and the District of Columbia assemble in Richmond for several days to exchange views and indulge in a general discussion of insurance topics. No action was taken to elect a secretary, a vacancy having occurred by the resignation of Thomas B. Reynolds, of the Prudential, who is leaving for North Carolina.

Rhode Island.

Probably one of the most unique meetings of the last month was held by the Rhode Island association in the Narragansett Hotel, Providence, on Feb. 19. It was unique inasmuch as the banquet was not exclusively for underwriters. The guests comprised prominent educators, professional men and women, business men and representatives from many prominent commercial organizations throughout the State. There were about 250 persons in attendance.

The meeting was said to be the largest and most interesting gathering ever held in the interests of life insurance in the state. The special guests were invited to witness the launching of a campaign to be carried on by the Rhode Island association for the education of the public to the great advantages of life insurance. If the enthusiasm of the guests can be taken as a criterion ultimate success will be the result of the campaign.

Among the principal speakers were Haley Fiske, vice-president of the Metropolitan Life; Joseph A. DeBoer, president of the National Life of Vermont, and Griffin M. Lovelace, of the Connecticut Mutual Life. Francis A. Crum, president of the local association, presided as toastmaster and handled the after-dinner exercises in a creditable manner.

Mr. DeBoer, the first speaker, outlined in detail the various stages of development of the life insurance business and how it had reached its present number of forms and classes, including annuities. Mr. Lovelace confined his discourse to the ethical side of the business and the professional aspect of the practice of life insurance.

Mr. Fiske gave some remarkable figures revealing the scope and the remarkable growth of the life insurance business and its relations to the country's welfare.

"There is \$20,000,000,000 of life insurance in force in this country in 37,000,000 policies," he said. This amount is in addition to the \$10,000,000 in force through the various fraternal societies. The assets of the old line companies are \$4,500,000. The annual premiums received total \$750,000,000 and the total annual income of these companies is \$1,000,000,000. In speaking of the use to which this huge income was put, Mr. Fiske said it goes toward building up the country. He said in part:

I do not know what the railroads would have done without the financial aid rendered them by the life insurance companies in the form of capital. As the railroads are the bulwark of American civilization and the insurance companies were largely instrumental in making their development possible, the insurance agent is really doing more to further the progress of America than any other agency. The business had its origin in the idea of profit, and is still being

New resources for the Union Central firing line

Announcement made January 1st of a material reduction in participating premiums on all Life and Endowment policies is already reflected by a large increase in new business written.

Increasing the maximum limit carried by the Company on any individual life to \$100,000 has further enlarged the opportunities of the agency force.

The unique and advanced Disability Benefit adopted last year is now offered on the same terms to old as well as new policyholders.

Participation in surplus interest earnings to the extent of 4¾% is continued on policy proceeds and installment settlements.

Free Annual Health Test, now introduced, is another real progressive service rendered to the Company's policyholders.

Forty-eighth Annual Report, the best in the history of the Company, a fitting cap-sheaf to the preceding successful years. Copy will be mailed on request.

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Insurance Company
OF CINCINNATI**

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THE UNION CENTRAL LIFE INSURANCE COMPANY,

Cincinnati, Ohio.

Please send copy of Annual Report and Financial Statement for 1914.

Name

Street

City

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The Life Association News.

conducted on that basis in some countries, but in this country the bulk of the business is on a mutual basis and the companies are in the nature of large trusts acting as trustees for the people's money. Of the \$20,000,000,000 life insurance outstanding in this country, \$16,000,000,000 is with the mutual companies and the remainder with the stock companies. There is an overwhelming demand now for the policy of the mutual company.

Health is a matter of business to life insurance companies. Anything which lowers the table of mortality lowers the cost of the premiums. Increased benefits have accrued to the policyholders of this country by the lowering of premiums twice because of the decrease in the mortality rate.

Sacramento.

The application of the Golden Rule in all life insurance business will be made by members of the Sacramento association, which recently held its monthly meeting at Hotel Sacramento.

L. B. Messler, vice-president of the San Francisco Life, was the guest of honor at the meeting, which was attended by forty of the local underwriters. Mr. Messler declared that underwriters' associations were not for the purpose of passing complimentary and mental delicacies across the banquet board, but that their mission was to "swat the twister, the rebater, the 'myself note' artist and the agency raider," and to apply the Golden Rule among themselves.

Despite the fact that the local association is less than three months old it has an enthusiastic following. Officers were chosen for the ensuing year: President, E. Shoemaker, of the West Coast Life; vice-president, A. W. Clevenger, of the Prudential; secretary-treasurer, E. Kelly, of the Metropolitan.

South Carolina.

The semi-annual dinner of the South Carolina association will be held at Columbia on March 26. This date was selected to suit the convenience of Hugh M. Willet, president of the National Association, who will be the guest of honor and principal speaker.

The list of other prominent guests includes Governor Richard I. Manning and George McCutchen, professor of economics at the University of South Carolina. The State institution is one of the first in the South to include insurance in its curricula. Mr. McCutchen has paid special attention to education on insurance matters for the last three years. In anticipation of the visit of the National president the local underwriters are making elaborate plans for his entertainment.

The committee on arrangements includes the officers of the

association and the Executive Committee. They are: F. H. Hyatt, president; C. C. Edwards, Chester, and J. C. Dillingham, Charleston, vice-presidents; W. S. Hendley, Columbia, secretary-treasurer; Carroll H. Jones, Columbia; W. J. Roddey, Rock Hill; William M. Carter, Columbia; Fred J. Prahm, Columbia, and Ellison Capers, Summerton, Executive Committee.

Syracuse.

More than 200 prominent life underwriters, representing Syracuse, Buffalo, Rochester, Auburn, Utica and Albany, gathered at the Onondaga Hotel at Syracuse on Feb. 27 to participate in the annual banquet of the Syracuse association.

The gathering was one of the most notable and enthusiastic ever recorded in the history of the local association. The principal speakers were Hugh M. Willet, president of the National Association; Warren M. Horner, chairman of the Education and Conservation Committee of the National Association; State Senator J. Henry Walters, Edgar F. Brown, of Syracuse, and the Rev. F. T. Keeney, pastor of the First M. E. Church. Lieutenant Governor Edward Schoenck was to have been one of the principal speakers, but upon finding that he was unable to attend urged Senator Walters to represent him.

President Willet reviewed the history of the National Association work and touched upon conditions with which the underwriters are confronted. Mr. Horner acquainted the local underwriters with the work now being carried on by the National Education and Conservation Committee. He strongly commended the first copy of the local insurance publication, *THE LIFE INSURANCE NEWS*, which is co-operatively maintained in the *Herald* and *Post Standard*. The first copy of the *NEWS* was used as a cover idea for the program of the evenings, activities. The new publication could not have been launched more auspiciously.

Under the heading of "War News," which was set in scare head type, the following was observed:

"About 200 able-bodied life underwriters from Syracuse, Rochester, Buffalo, Utica, Albany and Auburn charged on the commissary department of the Onondaga Hotel. There was a long and inviting list of casualties."

It was further announced from the army headquarters that this same army was contemplating a charge on the uninsured of Northern New York.

Edgar B. Brown proved himself to be a delightful after-dinner speaker. The Rev. D. D. Keeney gave the invocation and afterward spoke in a semi-humorous vein on the life insurance man.

Purely Mutual

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GEO. C. MARKHAM, President

INSURANCE IN FORCE, \$1,365,299,749

SATISFIED POLICYHOLDERS to the number of 11,613 (out of 43,541 applicants) applied for \$54,587,290 of additional insurance in The Northwestern during 1914.

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Mortality 55.87%. Interest 4.97%. Expense 10.53%.

AGENTS PROTECTED by enforced No-Brokerage and Anti-Rebate Rules.

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MILWAUKEE, WISCONSIN

LARGE "DIVIDENDS"
LOW COST
SERVICE POLICY

The Rochester delegation chartered a private car for the trip. Much credit for the success of the affair is due G. Russell Churchill, chairman of the Arrangement Committee and Henry Phillips, president of the local association, who presided as toastmaster.

Tacoma.

Frank Townley Watson delivered an address on "Human Efficiency in Natural Law" at the last monthly meeting of the Tacoma association, which was held in the Olympus Hotel. The election of delegates to the coming National Convention was discussed at length. Plans are being made to send a record-breaking delegation to San Francisco.

Toledo.

With renewed enthusiasm under the leadership of President Frank C. Dimick, members of the Toledo association held their regular monthly meeting at the Boody House on March 2. The meeting was attended by twenty-five of the leading life underwriters in Northwestern Ohio.

As principal speaker, Meriam M. Miller, vice-president of the Home Savings Bank of Toledo, gave a very interesting talk on the community of interest between banking and life insurance. Mr. Miller emphasized the fact that each year bankers more readily recognize life insurance as an indispensable aid of credit.

This was followed with a short speech by President Dimick on "A Struggle for a Piece of Ice in Hell."

The following committees were announced for the ensuing year: Entertainment, R. C. Lloyd, C. C. Dibble, R. E. Ferguson, J. A. McAfee, J. L. Atkins; Finance, J. E. Alvord, Lloyd McAfee, N. E. Farley; Publicity, D. C. Hart, C. Locke Curtiss, J. A. Catchpole; Legislative, J. W. Crook, J. T. Morgan, J. H. Tuttle.

Utah.

D. H. Livingston, of the New York Life, was unanimously elected president of the Utah association at the annual meeting held Feb. 13 at the Commercial Club in Salt Lake City. G. F. Eckstrom and Fred C. Hathaway were chosen first and second vice-presidents, respectively, Elizabeth Coray was elected treasurer and M. H. Kriebel, secretary.

Mr. Livingston having previously stated that he would not accept the presidency without the support of every member, there was not an opposing vote.

Western Massachusetts.

An unusually enthusiastic meeting of the Western Massachusetts association was held on Feb. 25 in the Nelson-Haynes Hotel at Springfield. Hugh M. Willet, president of the National Associa-

"What the Equitable Offers"

What the Equitable Offers is the title of a booklet listing in detail the many attractions and advantages of Equitable policy contracts.

While intended for the prospective insurer, it will interest any insurance salesman who is curious to know why Equitable policies sell readily, renew steadfastly and meet every conceivable need of all classes of insurers. A copy will be sent to any address on request.

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tion, was the principal speaker. Other addresses were given by W. W. McClench, president of the Massachusetts Mutual; Oliver W. Gaines, of the Provident Life and Trust, and A. B. Franklin, Jr., retiring president of the local association.

Following the banquet, at which there were more than fifty members present, the regular annual meeting and election of officers were held. The following names were presented by the Nominating Committee and unanimously elected for the ensuing year: President, E. N. Worthen, of Springfield; first vice-president, Harry Chittim, of Easthampton; second vice-president, Anthony Schuyler; secretary, Donald W. Bridgman; treasurer, A. J. Norton; Executive Committee, A. B. Franklin, Jr., E. B. Ranshousen, A. B. Cowles, M. L. Dinsmore, F. M. Kinney, E. H. Parmelee and N. H. Williams.

President Willet gave a logical and comprehensive talk on the history, work and achievements of the National Association. He urged the attending underwriters to boost the attendance at the coming national convention, which is to be held in San Francisco. Mr. Willet read a telegram from Harry E. Barlow, of the Connecticut General Life, who was seriously injured in a trolley accident at the Notch while on his way to attend the meeting.

Mr. Willet's speech in part continued as follows:

One of the dividends I am getting out of my position as president of the National Association is the enjoyment of making the acquaintance of men who represent life insurance in their communities at such an association banquet as this. I have never before been in Springfield. One of the things that I have always associated with Springfield is the Massachusetts Life Insurance Company, noted for its strength, solidity and conservatism.

Life insurance as represented in this country is demonstrated by all the companies that stand on strong foundations. It has become general in public opinion that the credits of life insurance companies are as firm as if guaranteed by the United States Government.

The history of the National Association starts from a time 25 years ago, when three local associations, from Boston, New York and Philadelphia, met in Boston. The object of the association has always been to advance the true interests of life insurance. Through our efforts we have caused it to be recognized that such things as rebating and discrimination in policies are outside the pale. The State laws at the present time make those things crimes.

One of the principal enterprises of the National Association is wrapped up in the work of the Educational and Conservation Committee. We are working along educational lines, to train men to be more efficient as agents. A textbook of life insurance will soon be issued, gotten out through the assistance of this committee, which will probably be ready in three or four months, or by the time of the August convention, anyway. The book will be placed in schools and colleges at the opening of the next term. Warren M. Horner,

chairman of the Educational and Conservation Committee, who was to have been here tonight, has had something to do with the compilation of this book.

The National Association is striving to reduce the burden of taxation on policyholders. It is estimated that \$13,000,000 is borne by the policyholders. The mere desire of increasing revenue is no justification for placing this tax. Such taxes either increase the premium cost of insurance or else decrease the amount. If the cost is affected the burden falls on the policyholders; if the amount is affected the beneficiaries suffer. Thus the tax may be said to fall on widows and orphans, and that is scarcely a proper way for a State to raise money.

When the income tax was being considered it was discovered that a certain tax fell on life insurance, but not on mutual or fraternal insurance. All life insurance men and the associations worked hard for the defeat of such a measure and we were rewarded by having the feature struck out of the bill. Later, when the proposed stamp tax on life insurance policies was broached as a war revenue means, the associations banded to defeat it. The tax was to be 80 cents on \$1,000, similar to the war measure passed at the time of the Spanish War. Since the replacement a short time ago was but a temporary measure, few paid much attention to it, thinking that it would be just as well to let it go through.

However, Edward A. Woods would not see the clause pass without a struggle, so he urged life men to protest through their Senators, all over the country. On the night

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Ordinary Life \$5,000 non-participating,	
Premium at age 35, \$100.45	
Term to 65 (convertible) (\$1,000)	
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Dividends paid in 1914 on ANNUAL Dividend Policies exceeded Death Claims by more than \$41,000.



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Surplus
and
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Good connections can always be made with our General Agents throughout the country.

before the bill came to a vote in the Senate the Senators had heard that thousands of policyholders throughout the country objected to the life insurance clause, and the clause was struck out the next day.

These things lead us to believe that the National Association is a potential factor in this country in the interests of the policyholders. We are also working along the line of standardizing agents. A year ago it was asked that all men who are unworthy to carry rate books be removed from the field, to drive out all crooks. That was done in accordance to work of the National Association.

Starting with three associations 25 years ago, the National Association has grown to embrace 100 associations, with a membership of 5,000 men. But there are 95,000 agents who are not affiliated, and it is our work to get those men. Some of them do not live in places where they can join locals, but the constitution has been changed so that non-residents may be taken into membership of any association. I hope that in the future the introduction of non-residents will swell the membership of the Springfield association.

Youngstown.

Ladies' night was appropriately celebrated by members of the Youngstown association on Feb. 26, at the local Y. M. C. A. Hall. With a delicious menu and a variety program that would rival the

current vaudeville bill, the local underwriters spared no efforts in presenting the annual entertainment to their fair guests.

E. V. Clyde officiated as toastmaster. His toast to "the ladies" was responded to by Mrs. W. B. Randolph. The feature of the program was undoubtedly a comedy skit written for the occasion and produced by Myron Eckert and Roy Hartzell. The story had to do with an old German insured by a live wire (with 1776 methods). Mrs. Pearl Hench Green rendered several delightful vocal numbers. She was accompanied by Miss Mary Burke. Talks pertaining to life insurance were made by Frank B. Kearney, W. B. Randolph, Calvin Hench, Mr. Reilly, Mr. Stamp and Mr. Parks.

Zanesville.

The first annual meeting of the Zanesville, Ohio, association was held at Rogge Hotel on March 1. There were about 20 members in attendance at the banquet. Addresses were delivered by M. D. Donham and Charles R. Garwin, president and secretary of the Columbus association; J. B. Anderson, K. E. Stamp, W. S. Domer and W. E. Tingle. J. P. Sherer presided as toastmaster.

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This Company, although it operates only in the United States and Canada, has more insurance in force than any other life insurance company in the world.

The number of policies in force is greater than that of any other company in America, greater than all the regular life insurance companies put together (less one), and can only be appreciated by comparison. It is a number considerably in excess of the combined population of Greater New York, Chicago, Philadelphia, Boston, St. Louis, Cleveland, Baltimore, Cincinnati, Pittsburgh, San Francisco and Kansas City.

SIGNIFICANT FACTS.

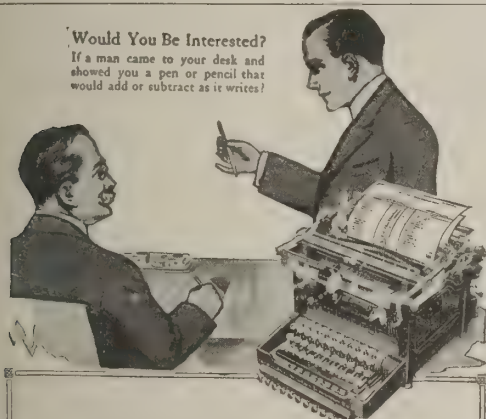
This Company's Policy claims paid in 1914 average one claim for every 46 seconds of each business day of eight hours and in amount \$232.07 a minute.

The Daily Average of the Company's Business During 1914

626	per day in number of Claims Paid.	\$305,754.00	per day in Payments to Policyholders and addition to Reserve.
8,040	per day in number of Policies issued and revived.	\$161,826.87	per day in increase of Assets.
\$1,708,728.00	per day in New Insurance issued, revived and increased.	Insurance in Force	\$2,991,114,069.00

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A New High Mark

That is what we reached in 1914—a year of profound business disturbance.

We are optimistic for 1915, believing that business conditions are improving steadily, and that the year will be one of wonderful opportunity in life insurance, as well as in general business. Our representatives are filled with enthusiasm, and with determination to go above the high mark of 1914. We believe that they will do it, and shall in every way back up their work.

Occasionally we have a general agency opening for the right man.

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Life Association News

OFFICIAL ORGAN OF THE NATIONAL ASSOCIATION OF LIFE UNDERWRITERS


Entered as second class matter, Feb. 4, 1907, at the Post Office at New York, N. Y., under the Act of Congress of March 3, 1879.

Vol. 9.

NEW YORK, APRIL, 1915.

No. 8

Official Announcement

N this number of LIFE ASSOCIATION NEWS appears an interesting and comprehensive statement in relation to the Education and Conservation Bureau.

Statements with regard to the formation of the Bureau and the detail of its work were published in the December, January and March numbers of the NEWS.

There has been no change of base or discarding of important issues as embraced in the Memphis Resolution, and as advocated by the National Association in the last two years and a half.

The Bureau has been formed to the end that we may realize upon important functions of the Movement and obtain tangible results in accomplishment as we progress, and lead up to reasonable fruition of all those things originally contemplated and emphasized repeatedly the last three years.

It is the earnest hope that all individuals and organizations interested in the business of Life Insurance will co-operate in a spirit of helpfulness in this great work of service to the people and to themselves.

HUGH M. WILLET, President,
National Association of Life Underwriters.

WARREN M. HORNER, Chairman,
Education and Conservation Bureau.

AN ANALYSIS OF THE CAMPAIGN OF INSTITUTIONAL ADVERTISING.

FOURTEEN OUT OF EVERY FIFTEEN PROSPECTS REFUSE LIFE INSURANCE BECAUSE THEY ARE UNEDUCATED TO THE NECESSITY OF PROTECTION.

The Right Kind of Institutional Advertising Will Make the Life Underwriter a Welcome Caller Where He Was Heretofore Barred.

By Everett M. Ensign, Acting Secretary, Education and Conservation Bureau.

Every active solicitor knows that the bulk of his business is sold under *protest*. Statistics prove that only one out of fifteen eligible prospects can be insured. Why?

Because the fourteen prospects out of every fifteen who refuse to take life insurance are not educated to the necessity of protection. A man who understands life insurance seldom refuses it.

That the selling of life insurance is a matter of education may be demonstrated by a simple illustration. Traveling salesmen for commercial houses generally make poor life insurance solicitors, because with samples of their goods and a ready market their duties were not arduous, while in the soliciting of life insurance there are no samples, and before a prospect buys he must be educated. For the same reason it has been the experience of many general agents and managers that school teachers make excellent life insurance solicitors. Naturally so, because their training and mental processes are educative in character.

Wholesale Publicity.

Therefore, the Education and Conservation Bureau proposes to educate the public, wholesale instead of piecemeal. In the consummation of its plans lies the educated prospect, the ready market and the concomitant elimination of the uneducated fourteen prospects in every eligible fifteen.

Members of the local bodies affiliated with the National Association have Bobbie Burns and Winslow Russell, superintendent of agents of the Phoenix Mutual, to thank for a full-length reflection of themselves as seen in the mirror of public opinion. "Oh, wad some power," said Burns, "the giftie gie us to see oursel's as ithers see us." And Winslow Russell furnished the power in question in the simplest manner imaginable.

Prior to a dinner of the Syracuse association, Mr. Russell sent out a number of letters to representative merchants, manufacturers, bankers, lawyers and physicians in Syracuse, requesting answers to certain questions in relation to the activities of general agents, managers and solicitors. Space was provided in the survey blanks for suggestions as to the improvement of field conditions. An analysis of the answers received is not only a source of surprise, but a condition is revealed which is disconcerting in the extreme.

"Is the average life insurance agent welcome to call upon you?" This was one of the questions asked. Thirty-eight replied in the affirmative, while twenty responded in the negative. Another question was, "Have you a favorable impression of the manner in which life insurance is sold in your city?" Affirmative responses outnumbered opposite opinions; nevertheless there were many emphatic negatives.

Solicitor a Nuisance.

The life insurance salesman is therefore *persona non grata* in the offices of 30 per cent. of the business and professional men of Syracuse.

And without doubt the same average holds good throughout the country. If public opinion is a fairly good guide—and the majority of intelligent people believe it to be—is it not imperative that we give serious consideration to this arraignment, which, though startling, is perhaps the most accurate thus far obtained?

Attached securely to the wall of a large office building in a city of approximately 100,000 population is a sign bearing these words:

Peddlers, dogs and Insurance
Agents not allowed in this
building.

Certain it is that a large percentage of the people of this country regard the life insurance solicitor as a nuisance, such opinion being based on nothing more substantial than a lack of knowledge of the institution of life insurance in its relation to the individual, the family and the nation. Not possessing confidence in the institution itself, there is no good reason why this class of people should possess confidence in its representatives. To meet the situation created by these people and to educate them to an acceptance of the principles of legal reserve life insurance is one of the objects of the proposed institutional advertising campaign of the National Association.

The history of the movement, which will be found elsewhere in this issue, really marks the beginning of a new era in life insurance.

It is true that life insurance is advertised—on a partisan basis. But, as Warren M. Horner, chairman of the Education and Conservation Bureau, says: "Present methods of advertising life insurance in most instances create sales about as readily as a wooden Indian in front of a cigar store sells tobacco."

But One Solution.

Actual results in the field have been accurately calculated, and the work of the average agent is about nine policies sold to 130 actual interviews (not calls) per month. The number of calls made to secure these 130 interviews give but a vague idea of the indifference of the public.

Considered in all of its phases there is evidently but one solution to present conditions—Institutional Advertising. The report of the Committee on Education and Conservation at the Cincinnati convention of the National Association summarized the underlying principles of the propaganda in the following paragraphs:

"Probably there are only two human agencies that can be compared, outside of religion and education, in the same firmament with the business of life insurance, and those are the news mediums of the country and the railroads. And I put the press above the railroads because the railroads only bring men and their products together in a physical sense, whereas the press brings them together in an educative way, and has to do with the mind, that eternal structure of God's greatest handiwork

Business and Cash.

"Furthermore, our American press has ever shown a readiness to serve the people in an intelligent, conscientious manner. You must remember, however, that by the same token that we believe in life insurance and that our business is garnering premiums and that by our efforts in this direction do we gain our daily bread, so must you remember that newspapers and periodicals are imbued with the efficacy of what they are doing, that they believe in both the commercial and the educative value of advertising, and that they exist by money paid over the cash counter therefor.

"If those in control of news mediums, publishers and editorial writers, do not thoroughly understand or believe in what they are doing, and we, in turn, exhibit a skepticism with regard to their work, we have presented an unnatural and an impractical situation and one that needs to be corrected. You will not correct it simply by striving for publicity a la press agent fashion. You will correct it by well-ordered publicity of the legitimate kind, backed by dealing over the cash counter—also of the legitimate kind—meaning advertising institutionally and partisanly, educatively and constructively; and you will get ten dollars for

every one you spend, because the newspapers do not have to be bought, and I am one of those who believe they cannot be bought.

"It is just an intelligent, commonsense, ordinary, every-day business, practical spirit of understanding and co-operation—they of our position and we of theirs—and then you will let loose the floodgates of publicity of the real kind, the kind that will educate and endure; and that is the service that the people, the ones who pay the premiums, are entitled to receive."

An intelligent, commonsense, ordinary, every-day business, practical spirit of understanding and co-operation. Yes, most emphatically. And let it be said that paid-for reading matter—Institutional Advertising—is, all things considered, the only way to put before the reading public of the country "Human Interest" stories relative to life insurance.

It is true that the newspapers will publish stories of the meetings of local associations. However, the extent and prominence of such stories will depend, to a large extent, upon the prominence of the men who deliver addresses at these meetings.

All newspapers and periodicals are published for the purpose of making money; money is made through advertising, not through subscriptions; to secure advertising there must be circulation; circulation depends upon news matter of interest. Moreover, news that is interesting to the largest number of readers is that which contains the elements of novelty.

"Human Interest" Involved.

Life insurance is the very essence of "Human Interest;" it touches the home and heart always and everywhere. It is the one magnificent institution of American enterprise—positive, unflinching, permanent. Indeed, in our economic life, so far as its potentialities are concerned, with no thought of irreverence, we can apply to it the great trilogy—omniscient, omnipresent, omnipotent.

It is because of its unflinching beneficence that it does not possess the novelty which gives it value from a journalistic standpoint. While life insurance keeps thousands of widows from the poorhouse, the public is more interested in reading of the mismanagement of the County Almshouse. The Pennsylvania Railroad carried 111,000,000 passengers last year without a single death. This item occupied but a paragraph in the papers, simply because it was nothing out of the ordinary; in fact, such a record was to be expected. It is the unexpected that we see in the newspapers, and one prominent man killed on the Pennsylvania Railroad is worth more as a news story than 111,000,000 carried safely.

Insures the Unexpected.

There is nothing unexpected in life insurance, for it insures the unexpected. It lives up to all promises and pays all claims promptly and quietly. It is only when it fails to perform the service which it agrees to give that, in the eyes of the journalist, it becomes news of interest. Think of the Armstrong upheaval. Then again, at the time when it performs its greatest service, its recipient is mercifully sheltered from the eyes of the world. From the very nature of its most important transaction there is nothing ostentatious nor calculated to arouse the interest of the public. Were the transaction irregular, odd, unusual or peculiar the case would be different.

Several of the local associations have contracted for space in the newspapers of their respective cities, and the transactions have been conducted over the cash counter. Such local bodies, by so doing, have been able to put before the public reading matter which never would have been published in any other way. This will undoubtedly do much good. But, great as is the influence of the press, the daily paper is bought for a cent and read for a minute. For educative purposes there is nothing to equal the class of periodicals which reach the home and are digested in leisure. In those magazines the force of an argument or a series of arguments cannot be vitiated by the perplexing problems of a business day.

A "Human Interest" story may be absolutely devoid of news value, yet it may be interesting and produce a profound impression. Its production requires art and no mean degree of literary ability. It should also be said that in the selection of an advertising medium which reaches the home the decision is

a wise one. If in the business judgment of managing editors and city editors it would be poor policy to publish gratuitously that which does not appeal to them as being of news value it most certainly behooves us to pay for the service desired.

The National Association will then be in a position to tell the people of America just exactly what it pleases, as frequently and as widely as the funds at its disposal will permit. It is a service we cannot expect for nothing and when once begun should be continued.

Institutional Advertising is a comparatively new idea, but it should not, for this reason, be condemned. Much of the opposition to the proposed campaign is based upon objections no more solid than the novelty of it, and because it has but recently been discussed.

Unanimity of Opinion.

Advertising experts throughout the country have reviewed the plan, and there is an absolute unanimity of opinion as to its value. When contributions to a fund were solicited from the various companies the committee claimed that the companies could easily save the small amount required from their advertising and printing bills. Natural philosophy tells us that a chain is as strong as its weakest link; common sense whispers in our ear that the progress of life insurance, as an institution, has been hampered to a very great extent by certain weak and inefficient factors. Probably the thinnest link in the chain which binds life insurance to the public at large is the link of competitive literature. Certainly the money saved by the elimination of the usual comparisons could be devoted to no better cause than the education of the public as to the true benefits of life insurance. It is platitudinous to make the assertion that half a truth is likely to be a dangerous and unjustifiable perversion of facts. Life insurance in its true purpose does not appeal to the man whose penuriousness is such that he will go shopping for a policy, seeking some infinitesimal advantage as to refunds, net cost or liberality of contract. The narrow mental gage of such an individual can never realize the fundamental principles of protection. Every policy written through the influence of an invidious comparison, as to companies, means to the agent and the company which secure the business a temporary gain, but policies so placed always react upon the vitality of the institution. Business of this character carries with it an implied unfavorable reflection as to the merits of all other companies. Life insurance will never gain the full confidence of the public until the commonalty is possessed of the consciousness that all life insurance in good companies is good life insurance.

Violating the Ethics.

Occasionally an Insurance Commissioner with commendable prevision will call attention to the danger of competitive literature. Willard Done, when Insurance Commissioner of Utah, issued a circular letter to all companies doing business in that State, and said in part, "I have decided that it is against public policy and in violation of the ethics of the insurance business for legal reserve companies to issue literature making comparisons by name, or invidious comparisons of a general character with other legal reserve companies. This ruling holds, whether these comparisons are as to estimated dividends, premium charges, or relative strength. In any case, doubt is cast upon the integrity of the other company. Such literature casts doubt and discredit on the whole business and herein is the greatest objection to it."

In direct and specific answer to objections to the plan because of the novelty of it, we would call attention to the following interests, which have all recognized the benefits of this plan of publicity. The Oyster Growers and Dealers' Association of North America recently clubbed together in their advertising, and it is understood that the results secured were very satisfactory. A similar campaign was instituted by the manufacturers of glazed kid, and the only reason it was discontinued was because the advertising brought such excellent results that the manufacturers could not see the necessity of further immediate advertising. The National Association of Tile Manufacturers has advertised on an institutional basis, while the Dominion of Canada is now planning for a country-wide campaign of publicity in the United States, the expense of which is to be paid out of the immigrant department of the Dominion. The gas companies of the various

large cities have now under way an institutional advertising scheme. The Apple Growers' Association of the United States is now preparing an advertising propaganda, and educational articles with regard to the use of apples will be published in the leading papers of the country.

It will be remembered that, at the Atlantic City convention, sheets were distributed by the *Philadelphia North American* setting forth the institutional advertising of the florists and the electric power interest. At the present time the Pennsylvania Railroad, The Philadelphia and Reading Railway and the Baltimore and Ohio Railroad are engaged in an institutional advertising campaign in an endeavor to have repealed the full crew laws of New Jersey and Pennsylvania. In the New York City papers alone fifty thousand dollars has recently been spent and the campaign is still in effect. Many other examples might be quoted, but these should suffice.

The Final Test.

Pitiless publicity is the final test of public acts. The exception to the rule has yet to be discovered. The light of day must penetrate to every nook and corner of both public business and private business. It is the law and nothing can escape it.

Funds, foundations and endowed institutions, the beneficent purposes of which have hitherto been apparent and undoubted, are now under the scrutiny of high-priced experts whose investigations are brilliantly illuminated by the powerful searchlight of the public press.

At the present moment the Federal Commission on Industrial Relations is investigating the rights, powers and functions of such self-perpetuating organizations as the Rockefeller, Carnegie and Sage foundations.

Truly out of joint with the times are those of us who are laboring under the impression that the Armstrong investigation was a sterilizing process which would forever after render the institution of life insurance immune from the attack of the muckraker and the political demagogue. Life insurance may still be the object of the inquisitive eye of an overwrought and apprehensive public.

High Authority.

On January 29 President Wilson addressed the Electrical Railway Association, using as his text, "The Rules of the Game." We herewith reproduce that portion devoted to publicity:

There are, therefore, I suppose, certain rules of the game. I will mention what seem to me some of them. I have already mentioned one of them by way of illustration. First of all is the rule of publicity, not doing anything under cover, letting the public know what you are doing and judge of it according as it is. There are a great many businesses in this country that have fallen under suspicion because they were so secretive, when there was nothing to secrete that was dishonorable.

The minute I keep everything in my pocket and will not show anybody what is there they conjecture what may be in my pocket; whereas, if I turn my pockets inside out, the conjecture is, at any rate, dissipated. There is no use inviting suspicion by secretiveness. If a business is being honorably done and successfully done you ought to be pleased to turn it inside out and let the people whom you are inviting to invest in it see exactly how it is done and with what results. Publicity, which is required in sport, is required in business. Let us see how you are running the game.

Then, in the second place, there is a full equivalent for the money you receive. The full equivalent in service, not trying to skimp in the service in order to increase profits above a reasonable return, but trying to make the profits proportioned to the satisfaction of the people that you serve. There isn't any more solid foundation for business than that.

If you thoroughly satisfy the people you are serving you are welcome to their money. They are not going to grudge it because they will feel that they are getting a *quid pro quo*—they are getting something such as was promised them when their money was asked of them.

First of all is the rule of publicity. Is it possible to find a

stronger indorsement of the Education and Conservation propaganda of the National Association? While it is true that the term "Publicity" was eliminated in the work of the Committee on Education and Conservation, it was done simply because the word "Education" was more comprehensive, and to indicate that publicity should be secured by educational methods. Publicity, per se, is not always directed in the right channels and frequently its purpose is far from being commendable. The word is quite often associated with mere clap-trap.

Taken, however, in the sense expressed by President Wilson, it is indeed the first rule in the game. Divested of its shoddy coat of many colors, the word is now clothed with appropriate dignity. Moreover, it has taken its proper place in our economics, standing guard, as it were, at the gateway of all American business institutions.

The Ultimate Solution.

Throughout the entire evolutionary movement, institutional advertising has stood in the forefront as exemplifying the means by which the public could be inculcated with the confidence necessary to remove from the institution and the institution's representatives the stigma with which unconsciously, perhaps, they have been branded. Institutional Advertising is still the main object of the Education and Conservation Bureau, and all other phases of the bureau's activities, as influential as they may be, should be regarded as mere auxiliaries. Institutional Advertising is the ultimate solution to a healthy, legitimate, vigorous and progressively constructive community of interest between the public, the company and the agent—as has been said—"It is the rockribbed, steel girder, concrete part of the whole proposition."

The Education and Conservation movement is not a shrewd scheme intended simply for the benefit of the life insurance solicitors; it is a propaganda of economic reform.

Life insurance has nothing to conceal and as an institution needs no apologist; its future success, as well as the future success of its representatives, depends upon the simple proposition of telling all to all the people always and all the time.

NEW YORK LIFE TO WITHDRAW '65 POLICY."

New York Life Underwriters' Association Anxiously Awaiting Action of Other Companies Named in Resolution.

In connection with the resolution passed at the March meeting of the New York association, in relation to the practise of several companies in placing upon the market competitive policies, Lawrence Priddy, president of the New York association, announces, just as the NEWS is going to press, that he is in receipt of the following communication from Thomas A. Buckner, vice-president of the New York Life.

"I have received a copy of the resolutions adopted by the Life Underwriters' Association of this city, with reference to the issuance of policies with a small loading by this and other companies, and the objections thereto on the part of the insurance agents. We have had frequent objections from our own men to the only form of policy which could fall within the category specified in your resolutions, to wit: what we term the '65 Policy.' We appreciate the force of the objections of the agents in the field to the forms of policies under which the companies, by the nature of the contracts, are unable to pay a fair compensation to the agent for his work. For this and other reasons this company has decided to discontinue the issuance of the '65 Policy' at the end of this month."

Probably never before, in the history of the New York association, has so much interest been aroused in any one phase of field activity. Since the New York Life has announced its intention of withdrawing this policy at the end of the month, life underwriters are anxiously awaiting the action of other companies mentioned in the resolution to which we have referred.

EDUCATION AND CONSERVATION MOVEMENT REVIEWED.

Movement Born at Chicago Convention of the National Association, 1911, Took Concrete Form at Memphis Meeting in 1912.

**Special Bureau, Advocated by Committee, Now a Reality
—Bulletins Are Published Semi-monthly—Text-
Book for Schools and Colleges Almost
Ready for the Press.**

When Frederick the Great desired to have his secretary read history to him he would say, "Bring me my liar." And there may have been sound and just reasons for this remark. History, to be accurate, must be recorded at the time the events are occurring, otherwise in years to come imagination, incomplete information and a thousand other unfortunate factors all conspire to produce that which lacks authenticity and reliability.

This, then, is an impartial and an exact statement of a movement which has turned the minds of insurance men to serious thought; in chronological order will be found the story of the most radical and revolutionary reform ever suggested to ameliorate field conditions in life insurance.

Perhaps in our economic life there is no institution quite so conservative as legal reserve life insurance. The very heart of the business is based upon mathematical calculations, the results of which are determinable in advance, and which, too, accrue with unerring accuracy. The entire plan of actuarial science is so exact and so dependable that a departure from set and established procedure rarely, if ever, appeals to a company official.

But in the Education and Conservation propaganda of the National Association of Life Underwriters we find an appeal which does not permit of recourse to precedent. Because of this it has been exceedingly difficult to make spectacular progress, although it can truthfully be said that the propaganda has advanced sufficiently far to warrant a sincere belief in its consummation.

Take Public Into Confidence.

The idea of taking the public into the confidence of life insurance companies and the companies' representatives through the means of a non-partisan educational campaign was coincident with a movement throughout business institutions that it was time to abandon the old slogan of "The Public be Damned."

At the Chicago convention of the National Association, which occurred in October, 1911, one of the delegates announced that he was convinced that notwithstanding the fine purposes of the National body it had one weak point standing out in bold relief, and that was an inherent weakness from the old institution of legal reserve life insurance—the lack of any systematic and adequate campaign of educating the public. This idea was received with such avidity that a resolution was passed indorsing the movement for the conservation of health and all that makes for favorable life insurance publicity and larger social service from life insurance companies and their representatives to policyholders and the public at large.

From the Chicago convention up to the present day this idea has been constantly expanding in scope. Indeed, in but a brief time it developed from its embryonic stages to a full-fledged propaganda, with a definite purpose in view.

Development of Germ Idea.

In reviewing the development of the germ idea it is evident that in the minds of those who first were its sponsors was a conviction that ultimately the National Association would be compelled to organize a bureau for the purpose of carrying forward the work.

This was brought to the attention of the Philadelphia association on June 18, 1912. In discussing the matter on that occasion the individual who had introduced the idea at the Chicago convention said: "It is up to the National Association to take the initiative in starting a bureau (I believe it should be a part of that organization) for the proper and thorough dissemination of information and progressive ideas of life insurance to the people of this country. This movement should originate and be conducted by the agents who know the needs, but in co-operation with the companies, who should supply the funds.

"The bureau to be a publicity, advertising and conservation campaign merged in one organization.

"A bureau of this character could and should embrace both the conservation of health and conservation of insurance written. The companies would obtain greater results at less outlay than by separate action."

The question was taken up with the Pittsburgh association on March 2, 1912, and emphasis was placed upon the necessity of readable educational matter to the public through the medium of articles and editorials in periodicals in the public press; also through the medium of advertising. It was brought to light that, whereas the discussions at association meetings and National conventions were enlightening to the agents themselves, they were of little value in educating the public.

Memphis Resolution.

At Memphis, October 15, 1912, the National Association adopted the following resolution:

Whereas, The institution of life insurance, as conducted by our standard American companies, occupies a commanding position in comparison with all world movements in its economic and beneficent relation to humanity, and

Whereas, The comparative newness of the system and its rapid growth have prevented a proper understanding of the importance of the business both in its relation to the public and as a vocation, and

Whereas, The companies and managing agents deserve unusual credit for building a structure of such enduring qualities that plays so great a part in equalizing business conditions and in its amelioration of mankind, but higher standards can be reached in the employment of agents and in the methods used in field work, and

Whereas, The business calls for the highest type of manhood and salesmanship in field work, and

Whereas, There are agents in certain localities who indulge in practises which detract from the high ideals of life insurance, and

Whereas, The public is equally culpable with the irresponsible agent from a moral and legal standpoint in soliciting rebates as well as in not co-operating with those agents who are exercising integrity and efficiency in their endeavor to render better service, and

Unlimited Opportunities.

Whereas, There are unlimited opportunities for standardizing the business by adopting new and scientific methods, and

Whereas, The business of life insurance needs the service of, and offers untold opportunities for, young men of high ethical standards and ability, and

Whereas, Business and corporation life insurance has become well established and the amount of life insurance written by the standard companies is only about 15 per cent. of the amount that could be written, and

Whereas, This association has repeatedly reiterated its stand as unalterably opposed to rebates, twisting of policies and agents and given wide publicity to the fact that any agent is not worthy of confidence of the business public nor ethically fit to be considered a representative life insurance agent who indulges in any of these practises or who preys in any way upon a competitor and does not secure business by self-inaugurated plans of work. Therefore, be it

Resolved, That the president of this association appoint a committee of five with power to confer with like committees of any other insurance bodies, to devise ways and means for greater publicity in life insurance, for some non-partisan campaign of advertising and conservation, and for a concerted movement to inaugurate a campaign of education through lectures or addresses and through general adoption of educational opportunities for the younger generation.

Resolved, That the adoption of this resolution carry with it the power to act on any plan approved by the Executive Council of this association, whether in conjunction with such other bodies or an independent movement inaugurated by this association.

We quote the above resolution because it was at the Memphis convention that the matter began to take concrete form. And

this resolution marked the time when the National Association, as a body, began to realize the necessity of a campaign along the lines suggested. It was also by virtue of this resolution that a committee was appointed to work out and develop the various problems enumerated.

A specially called meeting of the Executive Council of the National Association was held at Pittsburgh on November 9, 1912, and a report of the Committee on Education and Conservation, which was unanimously adopted, indicated that the movement was attracting much attention, that it was founded on sound premises, and that its ultimate scope would be far more comprehensive than at first contemplated. Certain definite plans of action were suggested in this report, as will be observed by the text of the resolution, which follows:

Co-operation of Companies.

That the financial and moral co-operation of the life insurance companies be secured.

That the companies can assist financially in this non-partisan campaign of advertising and add a monumental service to the public and the business of life insurance without extra expense by curtailing some of their present ineffective advertising and the issues of unnecessary printed matter.

The committee further declares in favor of a concerted movement for establishing educational facilities in life insurance in the universities, and colleges, and public schools, and declares in favor of more general publicity and judicious advertising on the part of the insurance fraternity throughout the country.

The committee has made definite plans to promote the campaigns of non-partisan advertising and the establishing of life insurance educational facilities and for co-operation with similar committees for local associations.

The work of the committee will undoubtedly result in the establishment of a permanent publicity, educational and conservation bureau of the National Association of Life Underwriters, which organization has played such a conspicuous part in all forward movements of life insurance.

Sinews of War.

In order to secure the sinews of war, the committee, in February, 1913, asked for contributions to a fund from the various old-line companies. It was proposed that the companies contribute on the basis of five cents per thousand of the paid-for business written in the year of 1912, and this letter to the companies enumerated the advantages which would accrue from an institutional advertising campaign.

The committee believes from its investigation that the campaign proposed is advisable, because: (1) It will educate the public as to the benefits of life insurance; (2) it will give them valuable information in the matter of selection of policies; (3) it will cure to a large extent the unnatural and unnecessary aloofness upon the part of the public toward life insurance and the life insurance agent; (4) it will give the public valuable information in regard to taxation and insurance laws; (5) it will aid materially in the matters of (a) conservation of insurance written, and (b) in the conservation of health; (6) it will result in better service all along the line to the public, the companies and the agents, and result in raising the standard of the whole agency system; (7) when this campaign is thoroughly launched the agents will find it twice as easy to sell insurance; (8) it will make dollars, for partisan advertising brings far greater returns; and finally, (9) it will result in a permanent bureau of great and lasting benefit to the whole institution of legal reserve insurance, and (10) this bureau can become a part or adjunct of the Presidents' Association or a bureau separate from any other body.

At the mid-year meeting of the Executive Committee in April, 1913, the committee reported that several of the companies had agreed to contribute to the fund, but that it was not, at that time, deemed advisable to expend any funds until a larger amount was available. At this meeting the word "publicity" and the term "non-partisan" were discontinued, and it was agreed that the committee should be known as the Committee on Education and

Conservation, and that the movement should be called "A Universal Campaign of Education and Conservation."

The Pacific coast was by no means neglected, for the chairman of the committee delivered an exhaustive address on the possibilities of the movement on June 2, 1913, before the Pacific Northwest Insurance Congress.

From this time on down to the Atlantic City convention in September, 1913, noticeable progress was made, and the report of the committee at this convention was one of the principal features of the gathering.

In elucidating the objects of the committee, and with particular reference to the necessity of a campaign of institutional advertising, the report of the committee was in part as follows:

Atlantic City Report.

With some companies writing their limit and others approaching it, with pseudo and part-time agents, and with plenty of those whose lack of intelligence and integrity disgrace the profession, the fact remains that the people of this country are only indemnified through the medium of life insurance to the extent of \$28,000,000,000, or only about \$300 for every man, woman and child in the United States; that nearly \$10,000,000,000 of this amount is not the kind of insurance you sell, and sooner or later must be converted into sound insurance, the kind you sell; that the insurance you sell is only indemnifying the men, women and children against all future contingencies by life insurance to the extent of \$200 per capita; that the total amount of insurance carried is only about \$1,500 for each bread-winner, or the amount of the kind of insurance you sell only about \$1,000 for the head of each family. Ten thousand dollars legal reserve insurance in standard companies for each family head or \$180,000,000,000 is not too much insurance for the fathers and sons to carry in this country.

Is education in life insurance necessary? Is an intelligent use of printer's ink imperative? Do you want to combine in these things in a spirit of common brotherhood, or shall we continue to let other world movements stand by and jeer at our ex-cart methods, and the people remain in ignorance of the true functions of sound life insurance?

If you are an agent writing \$200,000 a year, is it not worth \$10 a year to you? If you are writing \$300,000, is it not worth \$15 a year to you, and if you are writing \$400,000, is it not worth \$20, and if you are writing \$500,000, is it not worth \$25? If you are the head of an agency organization and you are writing \$1,000,000, is it not worth \$50 a year to you, and if you are writing \$2,000,000 is it not worth \$100 a year, and if you are writing \$5,000,000, is it not worth \$250 and if you are writing \$10,000,000, is it not worth \$500 to you?

Much work has been done and lines well laid to carry this plan of general education in life insurance and institutional advertising in life insurance to a practical and successful fruition. You and other insurance men over the United States are given the opportunity to come together in a spirit of common brotherhood in rendering an enormous service to your fellow-men and, coincident with this service to humanity, you are given the opportunity to increase your incomes and raise the great profession in which you are engaged to its true position in the world's work.

The Text-Book.

A meeting of the Executive Council was held on October 6, 1913, at Pittsburgh, and the Committee on Education and Conservation was authorized to proceed under the control of the Executive Council, and have a text-book written, to be used in the campaign of education, and was also authorized to arrange definite programs in various institutions of learning. With strict regard to the institutional advertising campaign, the following recommendations of the committee were unanimously adopted:

That both the matter of education and the publishing of an institutional advertisement involving a series of human interest articles of fact and interest to the people, together with the raising of funds for the same, be conducted entirely for the present by the National Association of Life Underwriters, and that there be no scattering by local subsidiary

campaigns other than in co-operation with the National body, other than such individual campaigns as may be deemed advisable by local associations as independent of and separate from the National campaign.

The committee further recommended the early publication of four or six of the institutional advertisements, one of which is to be upon the subject of taxation, at as early a date as is in keeping with due business procedure. This recommendation is made with great earnestness on the part of your committee because it believes that such action will properly visualize the efficacy of the whole proposition of the practical value to the people and the business of life insurance of publishing these human interest articles. Arrangements have been made to have these articles prepared without cost to this association unless they are finally made acceptable to the association. The committee is strongly imbued with the fact that the companies who have not been in favor of this proposition and the agents who do not understand it will by the publication of these additional articles have photographed upon their mind exactly what the education and conservation movement, through the institutional advertisements intends and will accomplish.

Initial Campaign Proposed.

Finally, the committee recommends that a partial call for funds be made through the local associations for the contribution of managers only, to defray the expenses of this initial campaign. That the companies who have already given pledges and all other companies be given to understand that the National Association invites their contributions and co-operation in behalf of this great work, but that a general campaign for raising funds be deferred until such time as the real merit of the idea be established and photographed upon the minds by this initial campaign. The committee is satisfied that the first call will bring sufficient funds from the managers over the United States to defray the expenses of what is contemplated in the recommendations for the present. No individual, even those who are the most earnest in the support of the work of conservation and education and the most sanguine of the scope of the movement for the future, can properly visualize the value to the public and the business of these institutional advertisements until they have seen them in print, and unless they can be so written upon the subject of taxation, loans, surrenders, income insurance, old age insurance and business or corporation life insurance and covering the broad economics of life insurance they will not be published at all. This recommendation of visualizing the idea by publishing some of the articles in advance is not alone the earnest judgment of the committee, but is predicated upon the very best of advice of shrewd advertisers, who can have no possible interest in this campaign, directly or indirectly.

Editor for Text-Book.

A meeting of the committee was held the following month in Philadelphia. Dr. S. S. Huebner, of the Wharton School of Finance and Commerce of the University of Pennsylvania, was engaged as Editor-in-Chief of the proposed text-book.

At the mid-year meeting of the Executive Council, held on April 21, at the Hotel Astor, New York City, an elaborate prospectus with regard to institutional advertising was presented, and the Executive Council and the Executive Committee adopted the report of the Education and Conservation Committee, instructing the latter body to modify its plans with regard to the distribution of funds collected for the purpose of carrying out its ideas. This change was to the effect that each local association should retain 75 per cent. of funds collected, using the amount for local purposes, and remit the remaining 25 per cent. to the National body, to be used by the Education and Conservation Committee in furthering systematic courses of education, preparing institutional copy and the publication of a portion thereof in National mediums.

At the twenty-fifth annual convention of the National association, held at Cincinnati, September 15, 16 and 17, the Education and Conservation Committee reported gratifying progress, with

sufficient pledges to the fund to warrant a belief that the time was not far distant when the country would be blanketed by the institutional advertising propaganda. The subject again came up for discussion at a meeting of the Executive Council, held on October 3, 1915, at Pittsburgh. The Education and Conservation Committee suggested that the Council indorse and adopt the trade-mark, and that permission be given to supply certain associations with copy already prepared. At this time it was proposed not to start the campaign until \$25,000 was in the hands of the committee, and these suggestions were adopted by the Council. It was furthermore decided that a conference of the Executive Council and the Committee on Education and Conservation was to be held when the sum of \$25,000 had been pledged for the exclusive use of the Education and Conservation Committee.

Movement Makes Progress.

From this time on to the present day events moved rapidly. A joint conference of the Executive Committee and the Committee on Education and Conservation was held in New York City on December 12, 1914. The report of the Education and Conservation Committee, which was unanimously adopted, was as follows:

The Education and Conservation Committee has to report at this time that the development of those measures embraced in the resolution adopted at Memphis in 1912 has reached such stage of advancement as to require the attention of some one to take care of the detail and the development of a permanent bureau.

That the funds pledged for the use of the committee, together with assurance of further financial support, warrant the National Association in establishing a bureau in charge of a secretary, for the purpose of expediting and systematizing the work.

That the secretary be under the direction of the Education and Conservation Committee. That his duties be as follows:

(1) To superintend advertising, the preparation of copy and publishing and distribution thereof.

(2) Conduct a comprehensive campaign of publicity direct, and by the dissemination of publicity items to the various associations. In this connection, it is recommended that a clearing house of current information be established for the distribution, in a weekly bulletin, of items and material of advantage and interest to local associations, or, in the case of unusual items, for immediate distribution to the local associations.

Important Recommendations.

(3) Introduce courses and lectures in institutions of learning, public and private, wherever possible. Securing, in co-operation with Dr. Huebner, the widest possible circulation and use of the text-book, one of the important accomplishments of the committee.

(4) To obtain lectures for and introduce lectures in public organizations and clubs.

(5) To procure the writing of human interest stories and articles for the public on life insurance.

(6) To prepare and give lectures or addresses before associations and public bodies.

(7) To collate, within the bureau, abundant material of information and efficiency methods of a non-partisan or non-competitive nature, for the use of members of the association, covering the principles and practises of the business, especially with regard to field work, and for use, when advisable, in the weekly bulletin.

(8) That he co-operate with boards of charities and corrections and get the result of investigations as to the part life insurance plays, or can be made to play, in preventing dependency and delinquency.

(9) That he make a special study of conservation measures, embraced in the institution of life insurance, for the purpose of furthering the education and conservation movement.

(10) That he devise and carry out ways of securing funds for promoting the measures embraced in the bureau.

Your committee respectfully directs attention at this time to the scope of the original resolution and the enumeration

of the education and conservation measures in a letter to the companies in February, 1913, and urge the embracing of all education and conservation measures in the education and conservation movement.

You should be advised at this time that the National Association is receiving the hearty co-operation, we should say practically unanimous support, of field men. Wherever campaigns have been started and trade-mark used and institutional character of advertisements maintained by leaving out names of agents and companies results have been even beyond expectations or claims of your committee.

This is true in the notice given the campaigns by business men, and in both educational value and actual results.

The Trade-Mark.

You are asked at this time to approve the human interest story, "The Greatest Thing in the World," which appears in the prospectus of the advertising campaign. Also the contract for use of trade-mark, reading as follows:

Minneapolis, Minn.

Date-----

In consideration of his contribution to the promotion fund of the Education and Conservation Committee of the National Association of Life Underwriters, permission is hereby granted to -----, of -----, to use the design shown in the lower left hand corner of this certificate in his literature, stationery and cards, for one year from this date. It is understood that this design is the property of the National Association of Life Underwriters and that the privilege here given ceases one year from date of this instrument, unless previously withdrawn.

-----, Chairman.

Your committee asks that it be directed in the issuance of this trade-mark to the agents representing companies that contribute to the campaign, where such agents are not all members of some local association.

We are opposed to issuing trade-mark to a non-member, but feel that where companies contribute there is an unusual condition existing and should be handled with great consideration.

Your attention is called in this connection to the fact that the right to use the trade-mark can, and should be, a great compelling force in bringing in new members.

Finally, we recommend for the present that Everett M. Ensign, corresponding secretary, be appointed acting secretary of the bureau.

That he secure, with the co-operation of the committee, a competent clerk or assistant, and such additional office space as becomes necessary.

Recent Developments.

the mid-year meeting of the Executive Council held on February 22, 1915, at the Hotel Astor, New York City, and at the mid-year meeting of the Executive Committee, held on the following day at the same hotel, the action taken at the Executive Council meeting on December 12, 1914, was approved. At this meeting the Education and Conservation Committee reported a constantly increasing interest in and support of the movement, both with regard to companies and agents. It was declared that certain institutional advertising being done by local associations was proving effective and producing direct results. The committee further recommended, which recommendation was adopted, that the acting secretary suggest to the various insurance commissioners that no individuals be licensed to canvass for life insurance until such individuals had satisfactorily answered substantially as follows:

Name.

Date of birth.

Residence and business address.

Married or single.

Business connections last five years, fully stated.

If life insurance experience, give name of company or manager, position held.

State whether resigned or discharged.

State if any indebtedness to any company for advances or otherwise.

Give three references, an educator, banker and a business man, if possible.

Common school or collegiate education.

Answer in detail.

Short definition of insurance.

Short definition of life insurance.

Name four uses of life insurance.

Define life.

Endowment.

Term policies.

Define annuity.

Short definition of legal reserve.

Net premiums.

Loading.

Dividend.

Furthermore, it was decided that the committee at the next annual convention be increased to seven members and embrace the Taxation Committee and the Law and Legislation Committee; that the personnel of the committee, as appointed by the president each year, be selected with great care as to their individual interest in and knowledge of the various departments of the bureau; that thereafter the committee be designated as the Education and Conservation Bureau.

Present Work of Bureau.

The idea of a special bureau, which was ever present at the beginning of the propaganda, is now a reality. Additional space and clerical assistance has been provided at the New York headquarters of the association. The various phases of the Education and Conservation propaganda are all now well in hand. Bulletins are being issued at frequent intervals, supplying human interest stories for the paid departments being conducted by local associations in daily newspapers of their respective communities. Extensive plans are being made for a wide distribution of Dr. Huebner's text-book. A careful study is being made with regard to the relation of life insurance to dependency and delinquency. Human interest stories are frequently syndicated for the Sunday supplements of the leading newspapers throughout the country. The bureau is actively investigating the possibilities of a prize contest for a moving-picture scenario setting forth the advantages which accrue from life insurance.

When the original committee was appointed at Memphis those named were Edward A. Woods, Pittsburgh; Jules Girardin, Chicago; T. C. Thompson, Chattanooga; Louis L. Hopkins, New York, and Warren M. Horner, Minneapolis. Owing to the great demands upon Mr. Thompson's time, as Mayor of Chattanooga, he requested to be relieved from the work of the committee, and Hubert H. Ward, of Portland, Ore., was appointed in his place. Louis L. Hopkins, of New York, subsequently resigned, and Lee C. Robens, of Hartford, was appointed to fill the vacancy. Warren M. Horner has been chairman of the committee since it was appointed at the Memphis convention, and as indicated by the preceding history, Everett M. Ensign, the corresponding secretary of the National Association, is now acting secretary of the bureau. All inquiries in relation to the activities of the bureau should be addressed to Mr. Ensign, at 51 Pine Street, New York City.

A Beginning Only.

The present activities of the bureau, as extensive as they may be, should be regarded as but the beginning. It is hoped that a direct visualization of the benefits which will accrue from the work of the bureau will convince the companies of the efficacy of the entire propaganda, and that the companies will eventually agree to subscribe to a fund for the support of the bureau along the lines originally indicated. This statement is based upon the assumption that it is easier to solicit a contribution for a good cause by demonstrating what is being done than by simply making an appeal as to what might be done. There is every reason to suppose that the propaganda will pass through the same stages which characterize all reforms; condemnation, discussion, then adoption.

It was Lowell who said, "Things in possession have a very firm grip. One of the strongest cements of society is the conviction of mankind that the state of things into which they are born is a part of the order of the universe, as natural, let us say, as that the sun should go round the earth."

SEARCH FOR LOST POLICYHOLDERS.

Connecticut Company Paid Claims Where the Insured Had Been Dead for More Than Thirty Years.

Paid-up Policyholders Lax in Keeping Companies Informed as to Their Whereabouts—Many Beneficiaries Surprised by the Voluntary Payment of \$265,225.41.

By BENJAMIN W. LOVELAND.

Supervisor of Claims of the Connecticut Mutual Life Insurance Co.

Every life insurance company is probably carrying on its books as a liability thousands of dollars representing policies issued on the lives of persons, now deceased, under which no claim has ever been made, and under which undoubtedly no claim will ever be presented except through inquiries instituted by each company to ascertain the facts. In addition, probably many companies have in force hundreds, perhaps thousands, of policies on the lives of persons of whose whereabouts they have not the slightest knowledge.

Policyholders Lax.

Without some explanation, this statement might seem to reflect upon the business methods of life insurance companies, and, in fact, it may be a debatable question as to whether it is the duty of a company, after issuing a policy, to keep in touch with the person insured; and if this question related only to premium-paying policies there could be but one answer, for there would seem to be little or no excuse for an imperfect record of the address of the insured during the premium-paying period; and in case of participating paid-up policies it might be assumed that the insured would interest himself sufficiently to keep the company advised of his whereabouts in order that he might receive notice of dividends as they accrue, but experience shows that many of this class of policyholders are exceedingly lax in this regard. In case of non-participating paid-up policies issued many years ago, however, a life company can at least plead that its lack of knowledge concerning the address of the insured is as much his fault as its own. In the earlier years of old line life insurance thousands of such policies were issued upon the surrender of the original policy, which had lapsed because of the non-payment of premium, and became entitled, under certain conditions, to paid-up insurance. Under this class of policy, once issued and delivered to the insured, there was little occasion for him to communicate with the company, and so the policy was tucked away for safe keeping, frequently in some old trunk in the garret, there to await the day of its resurrection by the beneficiaries therein named, when the insured should have "shuffled off this mortal coil," unless previous to his demise circumstances necessitated a request on his part for a loan or cash value, or for information concerning the policy. There was no other special reason, if he had confidence in the company, why he should trouble himself about the matter, for his beneficiary could probably locate the company at the time of his death, even if the company could not locate him. And so it came about that as the years passed the existence of the policy, in many instances, was forgotten, if not by the insured then by those who were to profit by it.

Companies Expect Notification.

A life insurance company naturally spends little time in perusing the obituary column in the daily newspaper, as it has a reasonable expectation of being speedily, if not gently, notified of the maturity of a policy by the death of the insured.

Referring to speedy notice of death which frequently comes to my notice in the settlement of claims, and the many urgent requests for prompt payment of the policy because of the necessity of the beneficiary meeting a note or paying off a mortgage, or some other pressing demand, I have often meditated upon the mystery of the death of the insured at such a critical moment, and how the need would have been met had he survived; but, without being able to satisfactorily solve the problem, I invariably come to the conclusion that herein lies the moral of insurance.

As the organization of the oldest of the great life insurance companies in this country dates only from about 1843, not until recent years has it become apparent that in some cases if the insured were still living he must have drunk of the fountain of youth which Ponce de Leon never succeeded in locating. Quite naturally, when the records of the company disclose the fact that a man has reached the century mark, thus proving beyond doubt the benefit and advantage of insuring against death, the company is put upon inquiry. Most, if not all, companies offer to make payment of a policy when the reserve under it equals its face, which under the Actuaries' Table and 4 per cent. is at age 100, and under the American Table and 3 per cent. at age 96.

The Connecticut Mutual recently paid two policies of this character on the life of a resident of New York State. As the insured had reached the age when the reserve equals the face of the policies they were paid him in full during his lifetime. The agent informed us that he died shortly after—probably the shock was too great.

Average Tenure 68 to 69 Years.

As these cases are comparatively rare, however, and the average age attained by mortals is threescore years and ten according to Biblical authority, which, however, is ruthlessly set aside by actual cold-blooded experience of mortality, we find that with selected risks the average age attained by the insured under policies issued by the Connecticut Mutual, which have become claims by death, is between 68 and 69 years.

A life company is usually content to assume that a man is living until he is proven to be dead, yet there is a certain point where such assumption ceases to be a virtue, and in order to prove that it is not intentionally acting as a depository for unclaimed funds it may be well for it to ascertain how many apparently living men, according to its records, have passed to the great beyond.

Under present methods of indexing policyholders, most companies maintain a card index, showing the name of the insured, the date of his birth and the number and amount of the policy or policies, and on the same or a separate index his last known address. Through such system as the company may have inaugurated by "change of address" cards furnished its agents, and by them returned to the company with the necessary data, supplemented by letters received from the insured at the Home Office, and by other means, a fairly accurate record of addresses of the insured under premium-paying and participating paid-up policies is maintained, but cases are continually arising in which a communication to the insured at his last known address is returned by the Post Office Department as "unclaimed" or "uncalled for." Unless vigilant care is exercised, these cases accumulate rapidly, and before it is realized the company has a considerable number of so-called "lost policyholders." Where a separate card index of addresses is kept these "unknowns" are usually filed by themselves under that title until such a time as the insured is located or notice of his death is received.

Salient Features of Investigation.

Having thus in a general way stated some of the reasons why a company may unwittingly accumulate a considerable number of these cases, I may perhaps be pardoned if from this point I endeavor to relate some of the salient features of an investigation undertaken a little over three years ago by the company with which I am connected—a search for "lost policyholders"—which is now nearly or quite concluded, and with highly gratifying results.

The first steps of the investigation consisted in making inquiry concerning policies in force upon the lives of persons who, if living, had reached the age of 80 years or over, and whose addresses were unknown, and was undertaken rather as an experiment to ascertain how necessary a more complete and general inquiry might be advisable. A considerable number of these persons were found to be still living, a few having reached the age of 90 or over. In a fair proportion of these cases the insured had deceased, and upon receipt of satisfactory proofs of death settlement was made.

The results attained in this preliminary inquiry made it apparent that a general, careful and systematic investigation should

be instituted. Accordingly a card was prepared for each policyholder whose address was uncertain or unknown, on which was entered such data, chiefly obtained from the original application, as might aid in tracing him. This data consisted of the policy number, amount and date of issue, name of insured and beneficiary, date and place of birth, occupation and address at date of issue of the original, and also of the paid-up policy, if one had been issued, and any known later addresses obtained from the card index or from letters or papers filed with the application. There were also entered the name and address of the assignee, if any, together with the name and address of the examining physician, and from such applications as afforded the information was taken the name and address of a friend of the insured as well as of his usual physician. In addition, there were entered the name and address of the solicitor who secured the application as well as of the agent who forwarded it to the Home Office. If the application showed insurance in other companies the names of such companies and amounts of the policies were indicated. Space was provided for noting any facts of value in tracing the insured, as well as on the reverse of the card, for entering the date of each inquiry and the name of the addressee.

Difficulties of Task.

After all available data was entered on this card a printed form-letter applicable to all cases was sent to the last known address of the insured, or if more than one address had been recorded in the past to the address which promised the best results. At the foot of the letter was a detachable slip on which the insured was requested to write his name and address and mail to the company in a stamped addressed envelope which was inclosed. These letters were not all sent out at one time, but only as the data in each case was completed. In some cases the insured was addressed at the place at which he resided at the time of the issue of the policy, and prompt replies were received, although in some instances it appeared that since that time he had probably resided elsewhere, thus showing he had returned to his old abode. These were the simple cases, and of course reduced in a measure the number of the missing. The arduous labor began with the return of the letter by the Post Office Department stamped either "unclaimed," "uncalled for," "address unknown," or "deceased." In the latter cases the Postmaster was requested to furnish the name of the widow or children of the deceased, which often led to the obtaining of proofs of death and the settlement of the policy. In some cases, however, where the Post Office Department had returned the letter marked "deceased" we were able to prove, as in the story told of our esteemed former fellow-townsmen, the late Mr. Samuel L. Clemens, that the report of his death had been "greatly exaggerated."

Assistance of Postmasters.

In cases of communications returned marked "unclaimed," or "removed," the postmasters were, as a rule, exceedingly obliging in answering inquiries, and many policyholders were traced through their assistance. In some cases, however, if he had no disposition to assist, or felt compelled to obey the letter of the law, he would reply by returning the letter accompanied by a printed slip quoting certain sections of the postal laws. The department is entitled to great credit, however, in forwarding many communications to their proper destinations.

If the application disclosed the fact that the insured had served in the Army or Navy, or had applied for a pension, inquiry was made of the Pension Bureau at Washington, D. C. In this way a considerable number of persons were located where other clues had failed.

Recourse was then had to the friend or physician named in the application, and this was also a fruitful source of information, and although the friend named had perhaps passed away the members of his family were often able to give valuable assistance by furnishing clues. Occasionally the agent or solicitor, if known to be living, was appealed to.

After the investigation was well under way it became quite apparent that the task was a larger one than had been anticipated. The difficulties increased as the work progressed; the file boxes became crowded and more space had to be provided to hold the increasing correspondence, especially that relating to deceased persons.

A surprising fact was the necessity of sending to the insured at the same address, after waiting for a reasonable period without reply, two and often three notices. In such cases a departure was made from the usual form-letter, and the insured was given to understand, in polite language, that possibly the former communications had not been understood or had been misconstrued. To these letters various sorts of replies were received; some stated that they were not aware that the policy had a value. Several complaining letters were received after this style: "Why do you persist in sending these notices to me? I am not insured in your company." If there was good reason to suppose that the man was mistaken he was asked to state the date of his birth and other facts which could be corroborated by his application, and if his identity was thus satisfactorily established it became necessary to convince him that he was actually insured. Several such cases were encountered. One reply was as follows: "Very clever. I will not see your agent when he calls." Evidently he was not the person insured, but bore the same name, and probably thought the company was hunting prospects.

Process of Elimination.

Frequently, after sufficient prodding, replies were received from men of the same name as the addressee, who had tardily persuaded themselves that after all they might be the party wanted; and here the same method was employed to prove to them that they were not the parties we were interested in.

In cases where the insured had deceased it was of course especially necessary that he be identified without question, as in some cases a considerable amount of money was involved.

In order to satisfactorily identify the insured, especially if the policy could not be found, which was frequently the case, the parties in interest were required to furnish a statement as to the place and date of birth, full name of wife, if she were the beneficiary, occupation and some paper bearing the original autograph signature of the insured.

It has been necessary to obtain evidence of the death of the insured and beneficiaries from widely scattered civilized portions of the globe, ranging from Australia, New Zealand, Java, England and Continental Europe, the Philippines, Hawaii and turbulent Mexico. One beneficiary was traced from Australia to London, thence to Harvard College, Boston, and was located in New York City, an editor of a prominent paper. He was totally ignorant of the existence of the insurance for his benefit, but satisfactorily proved his identity as the beneficiary named in the policy, which was for a considerable amount. The insured had died some years previously.

Great Care Exercised.

There were numerous cases in which the amount of the policy was small, but they were treated with fully as much care as the larger ones, and almost invariably the smaller policies presented the greater difficulty of settlement—sometimes because of the fact that the beneficiaries considered it hardly worth while to furnish the necessary evidence of death, even if it could be procured, after the lapse of years, and sometimes because of the fact that even when the death could be proven as having occurred long years ago the beneficiaries had also deceased, and it was often necessary to trace the title through two or more generations. Where the beneficiary's estate had been probated this sometimes involved a search for title through voluminous court files. And where the beneficiary had died intestate, and the amount to be collected was not sufficient to warrant administration, it was necessary to determine the heirs, their number frequently being large and often scattered through several states. In many settlements it happened that one or more of the beneficiaries were among the missing and search had to be instituted for them. It was astounding to find how widely families had become separated and to note the ignorance of brothers and sisters as to each other's whereabouts. Thus the company has been instrumental in reuniting families.

The difficulty of settlement was in some cases increased by the estrangement of families, and the company was obliged to deal separately with each member of certain families in order to make any headway whatever. There were often minor children included in settlements, whose share did not warrant the expense of

guardianship, but cases of this character are also common in ordinary claims for small amounts.

In two instances permission had to be obtained from wardens of penitentiaries to enable the company to make payment of amounts due and secure releases from payees who were unavoidably spending a period of relaxation at the expense of the State.

In two cases after following clues which led pretty nearly over the entire country it was learned that the insured had died and the beneficiaries were located, peacefully living within a half mile of the Home Office.

An Interesting Case.

One case was particularly interesting in that it involved a search by a blind man for a missing one, and covered inquiries in four States, Missouri, Texas, Iowa and Colorado. This was a policy issued in 1873 on the life of a sewing machine agent, who then resided in Missouri. After the Home Office had run down several false clues, the matter was referred to a general agent in Iowa, as the release for the paid-up policy had been executed in that State. He, in turn, referred it to a local representative, the blind man mentioned. This is his story:

"The other day I just happened to remember that many years ago, when I was about three or four days old (I think I was at least that old), there was a big fire on West Hill, and history was made in the fact that a brave little miss ran to the fire station five blocks away, about one bell in the A. M., clad only in night attire, and through six inches of snow, to awaken the firemen and get them to come to her home. It was a fire that totally destroyed a large home belonging to a family by the name of the insured. Recalling the incident, I got busy and ran down what I could find about these people. I found that one of the daughters of the beneficiary was living in Burlington, and she informed me that the insured was deceased, that his wife and one son survived him and lived at Colorado Springs."

This case was then referred to our Colorado general agent, through whom evidence of the death of the insured was secured, and settlement made, the death having occurred in 1903. The blind agent, to whom I have referred, was also instrumental in clearing up several other difficult cases.

In many instances where the Home Office had been unable to obtain a clue in any particular case, or if, having secured certain information which it was deemed best to refer to a general agent of the company, such course was adopted; and great credit is due to our general agents and their local representatives for their assistance and zeal in prosecuting this work.

Detective Agencies Offer Services.

In a very few cases replies to advertisements were received from detective agencies offering their services for a stated percentage of the amount to be collected, and occasionally a letter was received from some questionable source indicating that the writer would undertake to furnish the desired information with the understanding that he was to receive a goodly portion of the face of the policy, but such assistance was invariably declined with thanks. Beneficiaries were put to no expense whatever aside from that incurred in the furnishing of the necessary papers.

Many appreciative letters were received from beneficiaries on payment of claims; others received the amounts due them without remark. There is reason to believe that many cases of real necessity were relieved. On the other hand, the diversity of human nature was well illustrated by the fact that many beneficiaries made inquiries to ascertain that they were receiving all that was due them, it probably being difficult for some to understand that a life insurance company was voluntarily making payment of moneys of which they were entirely ignorant, without some slight suspicion on their part that the settlement offered might in some manner inure to the benefit of the company as well as themselves. It is perhaps needless to state that exact justice was done in every case. One beneficiary who was inclined to question the settlement appealed to the Insurance Commissioner of one of the States, who highly commended the company's action and intimated to the claimant that she was to be congratulated.

As exhibiting the negligence of policyholders in keeping the company informed as to any change of address, it is interesting to note that during the course of the investigation it has been necessary to institute inquiries anew concerning policyholders who had been found after diligent search, but who, shortly after being located, thoughtlessly proceeded to secrete themselves again.

When it appeared that all efforts to locate the insured by correspondence had failed resort was had to advertising isolated cases. The list of missing was by this means further reduced; and when it reached a point where it could be advertised in its entirety without prohibitive expense it was published in the papers of several of the largest cities in the country under the heading, in bold type, "Lost Policyholders." The name of the insured, date of issue of the policy and residence when insured were stated, the names being grouped alphabetically by States, and persons having information as to the whereabouts of the insured, if living, or his heirs, if deceased, were requested to communicate with the Home Office. The response was very gratifying and reduced the list very materially.

The Lost Sheep.

There still remained, however, a certain number of lost sheep who apparently defied all efforts of salvation; it was evident that at least a few of them had purposely strayed from the fold for reasons best known to themselves, while a number on the list had probably departed this life many years ago, without relatives or friends, and still others had to all appearances so completely disappeared that absolutely no clue could be obtained as to whether they were living or dead. At this stage it became necessary to interest the "oldest inhabitant," and, as most of the remaining cases had acquired an interesting history from the company's standpoint, they were written up and offered as news items to papers published either at the birthplace or the various residences of the insured. In many instances these articles were hospitably received by the publishers of newspapers, especially in small towns, who most graciously co-operated with the company in its endeavor to fulfil its obligations. In this manner many cases which had been deemed hopeless were cleared up, there being the usual percentage of deaths.

It may be considered as remarkable that in an investigation which involved so many advertised cases there was, so far as known, no attempt at fraud or sharp practise.

It is interesting to note that this investigation brought to light the fact that in many cases the death of the insured had occurred over thirty years ago, and in several over thirty-five years ago, one person having died so long ago as 1872. As to the amounts of individual policies thus paid as death claims, \$10,000 was the largest, and \$10 the smallest. In the latter case the company naturally dispensed with as many formalities as possible in the furnishing of papers.

Extent of Search.

As a matter of interest, and as showing the actual results of the investigation made by the Connecticut Mutual, it may be well to state that from October 1, 1911, to January 1, 1915, inquiries were made concerning 3,644 policyholders. Of this number the addresses of 2,819 were secured, and 658 were found to have deceased, leaving still unknown 167 cases. The per cent of policyholders whose addresses were secured and those who had deceased to the number of cases investigated is 95.4. The total cash payments made by the company for the period named on account of claims by death under these policies were \$265,-225.41.

Probably all life insurance companies will be obliged to carry as a liability for perhaps an indefinite period a certain number of policies on the lives of persons who are undoubtedly deceased, but concerning whom it has been found impossible to obtain information. Meanwhile, it is not only expedient but desirable that each company, in its own interests and those of its policyholders or their beneficiaries, endeavor by systematic effort to keep its list of lost policyholders at the lowest possible point.

Life Association News

A MONTHLY JOURNAL DEVOTED TO THE INTERESTS OF ALL
LIFE INSURANCE AGENTS.

PUBLISHED BY THE
NATIONAL ASSOCIATION OF LIFE UNDERWRITERS.

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ARTICLE II OF THE CONSTITUTION.

"The object of this association shall be to advance the best interests of the cause of true life insurance."

Address all communications to

EVERETT M. ENSIGN, Editor and Manager.

Telephone, 4244 John.

LIFE ASSOCIATION NEWS, 56 Pine Street, New York City.

This newspaper is owned by the National Association of Life Underwriters, unincorporated, a voluntary association; Hugh M. Willet, president, Fourth Nat. Bank Bldg., Atlanta, Ga.; J. Henry Johnson, secretary, Lee Bldg., Oklahoma City, Okla.; H. Wibirt Spence, treasurer, 306 Penobscot Bldg., Detroit, Mich.

SUBSCRIPTION PRICE \$1.00 A YEAR IN ADVANCE

LIFE INSURANCE—THE INSTITUTION FOR SYSTEMATIC THRIFT.

"Life Insurance—the Institution for Systematic Thrift," is the subject selected for the Prize Essay Contest at the Twenty-sixth Annual Convention of the National Association. It would be difficult to find a theme more apropos to the times. During the past few years the average American has been compelled to turn his attention to Thrift, either to regret the absence of those habits of mind which necessarily characterize those who are thrifty, or in an endeavor to acquire and develop such mental qualities.

What is Thrift?

The best definition of which we have knowledge is, "Thrift is management of one's affairs in such a manner that the value of one's possessions is being constantly increased." As a matter of fact, the American Society for Thrift recently conducted a prize contest and awarded the first prize to the above-mentioned definition.

Emerson said that Thrift was creative economy, but it is more than that. It is progressive creative economy. The thrifty man does not apply the principles responsible for his success spasmodically nor periodically; his plans and purposes must be constant, and therefore systematic. A systematic conservation and growth of one's resources is possible by assuming a financial obligation by virtue of which one is penalized when failing to meet the provisions which were the subjects of a mutual agreement. And this method of applying the principles of systematic thrift reaches its perfect form in Life Insurance.

Generally speaking, thrift is not born with us, nor is it thrust upon us; it is, in the great majority of cases, a matter of deliberate and intentional acquirement by means of a self-imposed obligation with a definite purpose in view. And withal, to reach the maximum of effective accomplishment there must be a penalty which gently, but firmly and constantly, insists upon the regular observance of all those factors which contribute to the ultimate success of the program.

A life insurance policy is a self-imposed obligation. In many cases it is necessary to be educated as to the necessity of assuming the obligation, but fundamentally and throughout the premium-paying period the entire plan, so far as accruing benefits are concerned, rests upon the individual. To begin with, the insurant must be in such physical condition as to warrant the issuance of a policy; he must start even with all other people who enter into the same agreement. He must make an initial payment which puts the contract into full force and effect, and he must agree to make subsequent small payments for a stated period, or until his death. He has entered into, with full consent, a definite financial program, and, realiz-

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ing the benefits of its consummation, is predisposed to comply with all its requirements.

But the way to a certain region of which Com. Peary has little knowledge, is said to be paved with good intentions. Therefore, the necessity of a penalty which will serve as a constant reminder that systematic contributions to the fund have been agreed upon. Considering all forms of investments, savings institutions, and other financial enterprises into which the principles of Thrift enter, Life Insurance is differentiated with the most reasonable penalization possible for human brain to devise. A non-observance of the provisions of the contract with regard to the payment of premiums results in a loss to the insured which is practically equivalent to the amount expended in convincing him of the necessity of insuring his life, plus the actual expense of carrying the business on the books of the company up to the time of the policyholder's default. This penalty is just. The company, the agent and the insured really suffer no financial loss, but it is a most salutary warning and effective deterrent to those who might be inclined to be traitors to their own cause.

System plays its part with unvarying regularity in all transactions peculiar to Life Insurance. The contributions in the form of premiums are not matters which may be given attention at will, but system is insisted upon, and the policyholder is always advised when a payment is becoming due; in fact, both home offices and field representatives will not permit this phase of the transaction to escape cognizance.

Systematic thrift reaches its apogee in co-operative enterprises—communities of financial interests. And it is because of this that Life Insurance is the Institution for Systematic Thrift. Reduced to simple terms, the secret lies in the facts that money makes money; that large sums of money (the aggregate of many small sums) can be invested to greater advantage than could a multitude of small sums invested independently. As an illustration of this, one company points to a record of having paid to policyholders in the course of its existence, \$9,420,876.13 in excess of its total premium income.

England points with pride to 2,600,000 members of co-operative societies, which annually sell goods valued at \$600,000,000, and which annually distribute dividends and profits approximately \$60,000,000.

America is by no means ashamed of its various co-operative enterprises, and Life Insurance alone, the greatest of its co-operative institutions, presents an array of accomplishments which almost challenge belief. At the close of 1914 there was in force on the books of American Life Insurance companies ordinary insurance to the amount of \$17,465,975,853; industrial insurance, \$4,125,077,816; making a grand total of \$21,591,053,669.

ATTENTION! Life Insurance Men in the State of Louisiana.

We have been told, many times, that a perusal of *Life Association News* is its strongest commendation. Therefore, so that you might become acquainted with the official organ of the National Association, we have, for several months past, sent you sample copies. The subscription price of the *News* is but \$1 a year, and we now feel that you are sufficiently familiar with the paper to warrant an investment to that amount.

That being the case, this number of the *News* is the last sample copy that will be sent to you.

In sending in your subscription use the following coupon:

EVERETT M. ENSIGN, Editor,
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56 Pine Street,
New York City.

Herewith you will find my check for \$1, for which please enter my subscription for one year.

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THE POSTAL LIFE AND ITS RECORD.

All attempts to sell life insurance over the counter or through the mails, or by any other method which does not include agents, have been sad, sad failures. The truth of this assertion is apparent when the record of the Postal Life is considered, if we are to believe the leading article in *The Insurance Observer*, under date of March 16, 1915. The *Observer* has made a careful analysis of the claims of the Postal Life and has made some startling comparisons and striking deductions.

While it is not assumed that the advertising of the Postal Life figures to any extent in competition, still the NEWS occasionally receives a request as to information about this company, and one is led to believe that such inquiries are actuated more by curiosity than by the necessity of being equipped with actual information concerning the company's operations.

As a curiosity the Postal Life is interesting, and William R. Malone, president of the company, really makes this admission, for in the January number of *Advertising and Selling* he says, "The Postal is distinctive and people ask to know more about it. It has gotten itself, in a comparatively short time, much talked about, both pro and con." The *Insurance Observer* aptly rejoins, "No one will contradict the president of the Postal Life on that point. The company surely has been and is being talked about to an amazing extent. How much pro and how much con, especially the latter, we need not inquire. Continuing, the *Insurance Observer* states:

"In the midst" of the paper as published in *Advertising and Selling* is a reproduced advertisement of the Postal Life which it is stated appeared "in a score or more of general mediums and has produced up to date \$1,132,500 of paid for insurance." In that advertisement there is the usual announcement of the guaranteed dividend of 9½ per cent. followed by this statement: "Beginning at the close of the second year the Postal pays *contingent dividends* besides, depending on earnings, as in the case of other companies."

On the authority of *Best's Reports*, the company will pay no contingent dividends this year, in view of which fact it is quite possible that there will be further talk about the Postal Life, a good deal of it con. There have been times when life insurance companies have found it necessary to reduce or modify their dividend scale, but passing the dividend altogether, paying no policyholder a dividend at all, is something new in life insurance history, at least among companies making any claim to solvency.

The Postal Life is paying what it calls its guaranteed dividend. It must do that or go out of business. In effect, however, its dividend is merely a reduction in the premium charged. Nominally its gross premium, age 35, ordinary life, is \$27.40 per \$1,000, but it agrees to charge only \$19.73 the first year and not more than \$24.80 per annum in subsequent years. As non-participating insurance can be had for \$21.70 per annum, it is apparent that Postal Life insurance with no "contingent dividends" is a pretty expensive proposition. Participating insurance in many companies costs in the second year only \$23 or less for the same kind of insurance and same age, decreasing each year thereafter. Policyholders who have been in the Postal Life two years or more will be paying more for their insurance this year than they would have to pay in agency companies.

In Mr. Malone's paper there appears a comparative table purporting to show the amount of insurance issued by the Postal Life in nine years (should be ten years) and the amount spent for advertising. We reproduce the table as follows:

Year	Policies Issued	Amount of Insurance	Amount Spent for Advertising
1905	205	\$347,000	\$862.58
1906	476	701,500	6,671.19
1907	122	199,750	3,000.00
1908	1,126	1,976,522	5,900.00
1909	273	474,025	2,000.00
1910	241	429,318	4,136.62
1911	730	1,423,223	26,635.32
1912	1,660	3,018,187	24,976.70
1913	1,563	3,052,039	32,661.80
1914	1,560	2,577,720	39,616.13

The article to which we have referred here calls attention to the fact that Mr. Malone seems to be rather proud of the above record, because it apparently shows \$14,199,284 of insurance written and paid for on the lives of 7,956 people. Attention is also called to the fact that in 1908 there was a large increase in the number of policies issued and the amount of insurance written, while in the following year there was a big slump. The *Observer* further comments:

It was in 1908 that the Postal Life got hold of a number of Mutual Reserve policyholders, who were left in the lurch by the collapse of that company. The actual new business written by the Postal Life in ten years as the result of advertising was probably less than \$13,000,000 on the lives of less than 7,000 people. What proportion of that business remains on the books of the company the president of the Postal Life has neglected to state.

An examination of the figures for the last three years will inspire the inquiry whether the Postal Life has any reason for optimism over the effectiveness of advertising as a means of getting insurance applications. The experience in the years 1913 and 1914 suggests that the more advertising money the company spends the less business it gets. It spent nearly \$7,000 more for advertising in 1914 than in 1913 and wrote three policies less and nearly \$500,000 insurance less. Comparing last year with 1912 it is seen that the number of policies written decreased 100 and the amount of insurance issued decreased \$440,467. In 1912 the advertising cost \$15.04 for each policy issued and \$8.27 per \$1,000 of insurance written. In 1913 the costs were \$20.90 and \$10.70 respectively and in 1914 \$25.39 and \$15.58 respectively. There is certainly some hitch in the progress of a company that has to increase the cost of getting new business from \$8.27 to \$15.58 per \$1,000 in two years and writes less business in 1914 than it did in 1912.

The claim that advertising is a less expensive method of acquiring business than the employment of agents is being refuted by the company's own experience. The new premium income of the Postal Life in the last three years compared with the advertising expense produces the following results:

Year	New Premiums	Advertising Expense	Expense Per Cent.
1912	\$101,561	\$24,977	24.60
1913	96,697	32,662	33.78
1914	80,275	39,616	49.35

Nearly 50 per cent. of the total premiums on new business was used for advertising in 1914 as compared with less than 34 per cent. in 1913 and 25 per cent. in 1912. Many of the representative companies expend only 1 per cent. of their first year premiums for advertising and some even less. When other expenses such as for printing, stationery, postage, etc., are taken into account it will be found that while other companies expend from 5 to 10 per cent. of their first year premiums for these items, including advertising, the Postal Life in 1913 spent over 70 per cent. and probably over 80 per cent. in 1914.

Conducting a life insurance business by advertising—eliminating the agent—was demonstrated a failure in the first six years' experience of the Postal Life, but in Mr. Malone's own words, "By addition of another concern to the Postal, the amount available for advertising was enlarged." That is, by taking over the moribund Provident Savings, and using the loading in the premiums of that company the Postal Life was able to pay for advertising which otherwise it could not have afforded. And here is the result of the ten years' campaign as stated by the president of the company: "One hundred and thirty thousand dollars (should be \$146,000) invested in advertising during the nine (should be ten) years has brought \$13,000,000 of new insurance. It has brought us 130,000 new inquirers, nearly 9,000 of whom were insured."

First let us note that the cost of advertising last year was over \$15.50 per \$1,000 instead of \$10, the average claimed by Mr. Malone for the ten years. Next let us call attention to the diminutive mouse the labor of the advertising mountain produced. "Nearly," not quite 9,000 out of 130,000 who nibbled at the Postal Life hook swallowed the bait. Any agent who in order to write nine applications has to interview 130 prospects would die of inanition. Such an agent would be a complete failure. Just as such advertising seems to be.

There is one other point that should be considered here. It is the destructive character of the advertising of the Postal Life. The company appears to be possessed of the idea that to build itself up it must pull others down. The concluding paragraph of Mr. Malone's paper reads: "Life insurance is a universal staple. The universal conveyor, the press, should be offering it to the universal public. Here is a subject on which the editorial page and advertising page might properly be joined. One-tenth of the \$100,000,000 now going into expensive insurance agency channels, to be distributed among the agent sellers, if properly employed by the publications, would create far more buyers of insurance and reduce the cost to every one."

And this is what is said by the president of a company which has been compelled to *increase* the cost of insurance to every policyholder this year, and for no other reason that we can see than that its advertising was too costly, measured by results, except perhaps that excessive mortality may also have had some part in it!

The Pseudo Banker and Deferred Dividend Policies.

Wall Street still continues to exert a fateful fascination upon certain minds. There are today several firms located in the financial district of New York City, with sumptuous offices and expensive stationery, which, among other activities, endeavor to purchase deferred dividend policies, much to the disadvantage of policyholders in possession of this particular form of contract. A copy of a letter from one of these firms has reached the desk of the editor. It was addressed to the general agents of an old line company at Richmond. Attention is called, in this communication, to the fact that the experience of this firm convinces them that every life insurance agent who transacts any volume of insurance comes in touch with policyholders who wish to dispose of their deferred dividend policies for cash. Claims are made at the firm can be of material assistance in such cases, which will be handled to the advantage of all parties concerned; that

commissions will be allowed to parties through whom these purchases are made.

The answer of the general agents in reply to this communication is commendable and in keeping with the high standard of ethics advocated by the National Association.

We have very liberal and easy methods, replied the general agents, of accommodating our insured members and those who need assistance and will make any reasonable effort themselves can continue their policies and they themselves or their families receive full benefits thereunder. Those who are indifferent, don't care, while regrettable, principally on account of their families being deprived of protection, forfeit their interest to those who do continue and to whom it properly belongs.

Your business would seem to be directly contrary to the true objects and purposes of life insurance, chiefly in that it would encourage the insured under the pinch of a little depression, and without any great amount of effort on his part, to assign away the benefits which he himself would receive in a few years, and, worst of all, leave his beneficiary, who is usually some member of his family, without protection.

Life insurance is not for profit-making and speculation. Under your plan you would indeed be very safe and undoubtedly receive large and exorbitant profits on your investment. Under such assignments the company ought to be liable to the assignee only for the amount actually advanced, the balance to go to the insured or his beneficiary.

No doubt proper legislation will take place in due course of time to correct the evil, protect the interests of the policyholders and keep the insurance business in its proper basis. In the meantime it is to be hoped that you, and all others engaged in your kind of business, will receive little encouragement and co-operation from life insurance representatives and we are quite sure you will not from those who have the proper interest of the business at heart and desire to protect and subserve the best interest of the policyholders.

It so happens that the Mutual Life of New York, in its 72nd annual report, outlines the methods adopted by these "bankers" or "brokers," and as the principle is the same in all cases, and by no means peculiar to that company, we take pleasure in reproducing the suggestions offered.

We would again admonish holders of deferred dividend policies which are nearing maturity to be on their guard against certain designing persons who may approach them with a cash offer for the assignment of their policies prior to the maturity of the dividend. These parties, calling themselves "bankers," "brokers," or by some other misleading title, will offer to buy your policy on terms that are apparently advantageous to yourself. They usually begin by suggesting that you write to the company to ascertain how much it will pay in cash for the surrender of your contract. They know well that the company cannot lawfully pay more than the reserve for the surrender of any policy. It would be a misdemeanor on the part of the officials to offer you anything whatever on account of the prospective dividend in advance of maturity. When you get the company's answer these people will offer you a little more than the company can legitimately pay, from which it might seem that the company was not treating you fairly. These people, however, buy only policies that are within three or four years of the end of the dividend period, just when you can least afford to sell at all. If they secure your policy, they will pay the premiums until the dividend matures, and thereby reap a very large profit on the amount of their own investment. At the end of the dividend period they will surrender the policy for its cash value and the accruing dividend, the two combined largely exceeding the sum they paid you; but if you should happen to be in impaired health when the dividend matures—not likely to live long—they would not surrender the insurance, but would merely withdraw the dividend in cash and continue the policy until your death, when they would collect the death claim for themselves. Again, if you should die before the maturity of the dividend, they would of course collect the face amount of the policy, which should have gone to your own family or

beneficiary, and in that case they would generally realize a much greater profit than by surrendering the policy at the end of the distribution period. In order to invest as little of their own money in the transaction as possible, they will usually seek to obtain a loan on the policy from the company and thus be obliged to advance from their own capital only the small bonus which they would have to pay you on account of the prospective dividend.

It would almost always be a misfortune for you to surrender your deferred dividend policy, or to sell it at any price that may be offered. It would also be unwise to borrow on the policy, unless in a case of urgent need. In any event, before accepting a proposition to sell your policy, write to your company, explaining the proposition that has been made to you. It will always be the part of wisdom to hear both sides, assuming there may be two sides to this question.

Life Insurance and Delinquency.

At the Cincinnati convention of the National Association, attention was called to the great burden to society in providing maintenance for dependents and delinquents, particularly dependent widows, orphans and aged, and those delinquents left destitute at their parents' death.

A strong resolution was passed to the effect that the National Association co-operate with the National Association of Charities and Corrections, or any other similar body, for the purpose of investigating the relation of life insurance, or the lack of it, to poverty, dependency, delinquency, illiteracy, vice and crime. The Education and Conservation Bureau has started an investigation along the lines outlined in this resolution. But it must be confessed that whereas there are strong opinions, supported by well-founded arguments, that there is a direct relation between dependency and delinquency and life insurance, still no effort has been made to secure accurate statistics by the various charitable organizations.

Some time ago, at one of the large church asylums in Chicago, 6,000 children passed under the observation of Father Lynch, and it was ascertained that parents carried insurance in no more than 12 cases. It is also related that Archbishop Ireland claimed that when he went to St. Paul in 1884 there were 200 dependent children there. Notwithstanding the large increase in population in that city, an investigation recently conducted reveals the fact that there are now but 210 dependent children. "This improved condition," said Archbishop Ireland, "was due to the beneficent influence of life insurance."

Festus J. Wade, of St. Louis, after attending the Congress of Catholic Charities in 1912, said: "If 10 per cent. of the amount spent by organized charities in St. Louis was used systematically for a period of 10 years buying life insurance, thus aiding the poor that they are now trying to relieve, the charity organizations would have much less to do at the end of ten years, and thousands would be benefited and made happier on account of life insurance."

It cannot be denied that the decline of pauperism has been concomitant with the growth of insurance. Statistics gathered in England and Wales, covering a period of 35 years show a marked falling off of pauperism and a corresponding increase in life insurance. According to these figures the number of people relieved annually per thousand of population has fallen off 34.5 in 1875 to 26.4 in 1910, or about 23½ per cent. During this period the average amount of insurance per capita was noticeably increased.

An opinion upon the subject involved was recently given by Dr. E. G. Gowans, Superintendent of Public Instruction of the State of Utah. Dr. Gowans until quite recently, was manager of the State Industrial School for Delinquent Girls and Boys. In an address before the Utah association he assured the members of that body that their work was the most potent preventive of delinquency in the youth of the State that he knows of, as more than 90 per cent. of delinquency results from uneconomic and improvidential home environment, which the man with the rate book can more successfully correct than any other known agency.

This was truly a remarkably strong statement, and we herewith reproduce a portion of Dr. Gowans' speech on the occasion to which we have referred.

In an experience covering 10 years, during which time I have been dealing in an educational way with boys and girls who have not had a fair chance in the world, some striking conclusions have been forced upon me.

More than 90 per cent. of the boys and girls referred to are a product of the unsatisfactory home. Homes are unsatisfactory for many reasons; death of father or mother, divorce, desertion, disease, drunkenness and unfitness due to incompetence and indifference, sometimes one of these causes acting singly, sometimes several acting together, produce the result. A careful study, however, of a large number of these unsatisfactory homes has shown one striking, almost universal, characteristic, and that is thriftlessness. Incomes may and do vary greatly, but in the unsatisfactory home they are all used, nothing is saved. Undoubtedly it would be a mistake to assume that every home where saving is impossible is unsatisfactory from the standpoint of the character and conduct of its children, yet on the other hand the ability to make a decent living and to save at least a small part of the income are marvelous safeguards for the home. The children themselves who are products of unsatisfactory home conditions are thriftless, improvident, easily exploited, think nothing of the future, know none of the joys of possession, so their education must have for its purpose the development of the skill and ability to make a decent living, the ability to save something, to use their time industriously, and to feel the happiness of ownership.

Surely no one would like to be understood as an advocate of what might be called a bent pin sort of thrift. There are those who are short-sighted enough to be willing to spend valuable time straightening out bent pins, who should they succeed in straightening all the bent pins in the world would in the end have accomplished nothing. These have no conception of the value of time—the human asset most prodigally wasted. It is unfortunate that in this wonderful country of ours we have never felt the necessity of considering the subject of waste. Our resources are so abundant, our opportunities so numerous, that most people succeed. This should not blind us, however, to the fact that there are those who do not succeed, that there are unsatisfactory homes, that most of such homes are thriftless and improvident and that there is opportunity as well as need for service.

The educational work being done by insurance companies for the development of habits of thrift, enabling families to put themselves under some sort of compulsion and to teach themselves how to make present sacrifices for future large benefits, seems to me to be of great importance. Those who elect to do this work as their vocation in life should be assured that their avocation, that which they do incidental to their main line of effort, is in the nature of a real human service, redeeming work from drudgery and bringing its own peculiar and durable satisfaction.

New Requirements for Texas Agents.

Texas life underwriters are greatly interested in the new requisition blank and affidavit forms recently prepared by the State Insurance Commissioner. About a dozen members of the North Texas association recently journeyed to Austin, where they held a conference with the insurance authorities concerning prevailing conditions in the State.

Chaotic conditions prevailed in Texas before association activities began to take concrete form. One of the most dangerous complications with which general agents and agency managers have had to contend has been the general practice of agents drifting from one company to another and rewriting their business each year. Agents have been known to become identified with one company or general agent and be very active for several months, write a big volume of business and get in debt to the general agent or company for quite a substantial sum, and then on some pretext quit. In most cases this same agent would make a contract with another company and go back and write the same line of business. This has caused a great loss to the buyers of insurance, worked great hardships on the companies and doubled the troubles of the general agents who have been trying to build

(Continued on page 17.)

COMING NATIONAL CONVENTION.**The Exposition, Low Rates and Attractive Itinerary Expected to Bring Out a Record-Breaking Attendance of Underwriters.**

President Willet Is Working Upon Convention Program—Social Features Have Been Mapped Out by Entertainment Committee of San Francisco Association.

With the lowest railroad rates to the Pacific Coast in many years, the annual summer exodus of American tourists to Europe virtually impossible, and the activity on the part of local associations in forming convention clubs, it is safe to predict that the coming convention of the National Association, to be held in San Francisco on August 10, 11 and 12, will be marked by an unusually large attendance.

Seldom has there been such an excellent opportunity to combine business with pleasure. In August the Land of the Golden West is at its best. The party which travels by the Convention Special will stop off at Salt Lake City and Lake Tahoe. Until quite recently little has been heard of Lake Tahoe, but it is conceded to be one of the most beautiful mountain lakes in the world.

Elsewhere in this number will be found a list giving the names of life underwriters, together with relatives and friends, who had signified their intentions of traveling to San Francisco on the special train which will leave Chicago on August 5. As will be observed, the list has been considerably augmented since it was published in the March number. The return trip will be a matter of individual preference. At the present time, however, it would seem that the majority of the delegates will return to the East by way of the Shasta route, up the Pacific Coast, thence eastward through the Canadian Rockies, over the Canadian Pacific railroad. There are many other options, all of which present attractions galore.

President Hugh M. Willet, as chairman of the Speakers Committee, is working upon the convention program, and arrangements for the social features have been mapped out by the local committee of the San Francisco association.

Vice-President Woods Offers Prize.

Delegates who attended the Cincinnati convention will doubtless recall the offer made by Vice-President Edward A. Woods, of \$25 in gold for the best selling talk in three minutes. Considerable time will be devoted in the program to the discussion of State insurance.

Officers of local associations should bear in mind the rules with regard to the Edwards, the Whittington, and the Waite trophies. The Edwards trophy is annually awarded to that local association which during the year, between the dates of conventions, shall have made, all things considered, the largest increase in members. The Whittington trophy is awarded each year to that delegate present at the convention who, during the year, has proposed the greatest number of new members elected to the association from which he is a delegate. The Waite trophy is annually given into the custody of that local association which, at its regular monthly meetings during the year shall have had the largest percentage of attendance.

Officers of local bodies should also take cognizance of the fact that the convention this year takes place a month earlier than usual. In view of this, the names of all delegates and alternates should reach the office of the corresponding secretary not later than June 15. It will be impossible to include in the program and directory of the convention appointments received later than this date. While comparatively few lists have reached the office of the corresponding secretary up to the present time, it is interesting to note that the New England Women's Association was the first to comply with President Willet's request to have the appointment of delegates and alternates made as early as possible. The following delegates and alternates have been named to date:

Central Pennsylvania.

Delegates—John C. Johnson, Equitable of N. Y.; John Heathcote, Metropolitan; W. C. Wanbaugh, Connecticut Mutual; E. R. Eckenrode, Penn Mutual; T. J. Harnish, New York Life.

Alternates—W. S. Poorman, Mutual of N. Y.; E. H. Berger, Metropolitan; W. S. Essick, John Hancock; W. H. Cummings, National Life of Vt.; W. H. Cordry, Mass. Mutual.

Delaware.

Delegates—Frank Sheppard, Provident Life and Trust; James F. Price, New England Mutual; William W. Knox, Penn Mutual; Charles B. Palmer, National Life of Vt.; Arthur W. Swarts, Mutual of N. Y.

Alternates—T. Blair Ely, Equitable of Washington, D. C.; Aubrey Vandever, Mutual of N. Y.; Frank L. Cates, Mutual of N. Y.; A. A. Alberti, Metropolitan; Frank C. Hughes, Mutual Benefit.

Northern Indiana.

Delegates—Charles W. Orr, Aetna; James F. Conway, Metropolitan; Stuart K. King, Mutual Benefit; Timothy F. Kerby, Equitable of N. Y.; Wm. P. Cooper, New York Life.

Alternates—James D. Lewis, New England Mutual; Erwin C. Ungemach, Phoenix Mutual; Ernest A. Crane, Northwestern Mutual; Charles B. Fitch, National Life of Vt.; O. Frank Gerber, Mutual Life of N. Y.

New England Women's.

Delegates—Mrs. Florence E. Shaal, Equitable of N. Y.; Mrs. Frances Moore, Equitable of N. Y.; Miss Isabel Conlin, Equitable of N. Y.; Miss Marcella F. Conlin, Equitable of N. Y.; Miss Leonora M. Cowick, Equitable of N. Y.

Alternates—Mrs. Alice G. Whitcomb, Equitable of N. Y.; Miss Lucy M. Morrill, Equitable of N. Y.; Mrs. Effie M. Fales, Equitable of N. Y.; Mrs. Emily Lane Keene, Equitable of N. Y.; Mrs. Sarah A. H. Boyle, Equitable of N. Y.

Oregon.

Delegates—T. H. McAllis, Union Mutual; Wm. Goldman, Manhattan Life; Joseph H. Gray, Columbia Life and Trust Co.; Alma D. Katz, Mutual of N. Y.; John Pauer, Prudential.

Alternates—A. T. Bonney, Metropolitan; D. C. Herrin, Union Central; Judd Lowrey, American Central; G. M. Slocum, Reliance Life; E. L. Harmon, Penn Mutual.

Tacoma.

Delegates—J. E. Horton, Bankers Life; H. L. Pelletier, Travelers; M. A. Tenney, Mutual of N. Y.; Wm. Peterson, Northwestern Mutual; John D. Dole, Prudential.

Alternates—C. F. Widmann, Equitable of N. Y.; W. J. Benston, Reliance Life; J. A. Jacox, Bankers Life; M. C. Arvidson, Northwestern Mutual; Geo. M. Jacobs, First National Life.

New Requirements for Texas Agents.

(Continued from page 16.)

up and finance a business under the prevailing conditions. Under the new ruling, applicants for an agent's license are compelled to make the following affidavit:

I, the undersigned, do solemnly swear:

That I have not violated any of the insurance laws of this State;

That I have not at any time knowingly deceived or defrauded a policyholder or any other person solicited by me for insurance;

That I have not, as inducement to secure insurance, directly or indirectly paid, allowed or given any rebate of premium payable on any policy as prohibited by Article 4954, Revised Civil Statutes of Texas, 1911, printed on the back thereof.

That I have not, within a period of twelve months next preceding the date of this affidavit, unreasonably failed or neglected to pay over to any company then represented by me any premium or part thereof collected by me on any policy of insurance or application, and that I am not now indebted to any life insurance company named above, nor to any agent thereof, except as follows:

The above requirements, it is believed, will eradicate the existing evils. At any rate they will cause applicants to make permanent connections and conduct honest business.

While the above rulings were not brought about directly through the activity of the association, those who fostered them are among the most prominent members.

THE PART-TIME AGENT IN LIFE INSURANCE.

Practice of Employing This Type of Agent Declared to Be an Evil Entirely Defenseless from All Viewpoints—Necessity of Forestalling Ultimate Wrath of Public.

The following article was contributed to the NEWS by William H. Bloomer, field superintendent of The Northwestern Mutual in St. Louis. While in association circles there will always be found a difference of opinion on the subject discussed, Mr. Bloomer's arguments will be welcomed by many prominent underwriters throughout the country.—Editor's Note.

In any fair or comprehensive discussion of the part-time agent in life insurance, consideration should be given to his influence on the public, on himself and on the business as a whole.

Within the past two decades there has developed a revolution in public opinion regarding the purpose for which public and quasi-public institutions exist, and this public opinion is still and rapidly forming. The early conception that institutions of transportation, communication, lighting, power production, etc., existed primarily to afford individuals an opportunity to make money is yielding to the modern conception that they exist primarily for service to the public, and that only incidentally are those engaged in a particular enterprise given an opportunity of deriving profit and that, as compensation for their contribution of mental and physical labor. This public opinion is being crystallized through the work of such institutions as the Civil Service Bureau, Interstate Commerce Commission, the application of the Clayton Trust Bill, etc. It was evidenced in the hearing of the "money trust," of many railroads and public service institutions, in the limiting of railroads to a maximum railroad rate, in limiting commissions and expenses in life insurance and in sundry other ways.

Idea of Mutual Helpfulness.

It is gratifying to those engaged in the conservation and development of the institution of life protection that its origin was in a desire to be of mutual helpfulness rather than to provide a money-making opportunity. Although here and there during the last 40 years there have appeared men who have sought to exploit the public through their schemes, and in some measure have succeeded, credit, be it said, must be given to the general cleanness of the business. Those men who gradually get to believe that because they are in positions of control they *own* the business are almost as gradually eliminated. And when the owners of such great exponents of the business as the Metropolitan and Prudential demonstrate their conviction in the very practical way of abdicating their power—conveying the control of the institutions from themselves to their policyholders—it is conclusive evidence of the growth of the idea of SERVICE instead of EXPLOITATION.

Service and not price is the appeal most assuredly that business is making, and must make in increasing measure if it is to succeed. Service depends upon efficiency—efficiency upon concentration—concentration upon exclusion. In this age of specializing, the successful man realizes that it is imperative that he exclude from his thought and effort most everything that does not pertain to his particular business, and if his business is extensive with many ramifications he realizes he must confine himself perhaps to some particular phase of it. Thus, many institutions, realizing that the opinion the public forms regarding them is largely formed as a result of the contact of the public with their representatives, require that the entire time of such representatives (both on and off duty) must be exclusive to their interest. These employers feel they have a right to require of an employe the best ability he can give, and that best depends upon his use of his leisure hours. If that leisure is wasted in enervating forms of amusement his energy and endurance become sapped and his employer is robbed of the push and verve and fresh and rested fiber he otherwise would bring to his daily tasks.

To indicate the trend of thought toward the relation of service

to the interest of business,⁷ the following question appears in the application blank of the largest National bank west of the Mississippi River, and likewise in that of the largest trust company: "Have you any disorder that might be made worse by close confinement in an office, or that might unfit you for steady work?" But in this blank the thing most pertinent to the subject of this article is the agreement required which is identical in both blanks, namely: "I ALSO PROMISE TO DEVOTE MY ENTIRE TIME, ENERGY AND ABILITY TO THE EXCLUSIVE SERVICE OF THE——COMPANY."

The interests of the young man himself in the employment of these institutions are best served when he devotes his leisure time to the maintenance of his health and the balance of such leisure to the study of the great banking business, that he may be fitted for the next step when promotions are in order.

Two Masters Fatal.

As a negative example showing the influence the non-conformance to this principle had on a young man, an interesting instance may be cited. A clerk in a bank of one of the large cities of the country which does not feel such a rule necessary sought part-time connection with one of the life insurance agencies of his city. The manager to whom he applied was not a patron of that bank, and in the negotiations it developed that the bank for which the clerk worked had the accounts of several life insurance companies. The manager informed him that he would make no contract with any but whole-time men, and selecting one of the companies, a patron of the bank, the manager said to the clerk, "Now, if you are going to select a company, why come to me when there are several life insurance companies patrons of your bank? Here" (naming a company) "is a large and a good company that maintains and has for years maintained a large balance with your bank. Why not apply to it for an agency connection? However, my advice is, if you feel that you would like to engage in the life insurance business, resign your bank position and put your whole time and life into it. If, however, your convictions are not strong enough to influence you to do this, then do not make any contract with any life insurance company, or with any line requiring a division of your attention, but devote your leisure to the study of banking, and to the promotion of your employers' interests. If you feel you would like to solicit life insurance, do not solicit for a company where you command an unfair advantage that even a casual observation of the names of the patrons of competing companies having accounts with your bank gives you, but devote your leisure to soliciting accounts for the bank that employs you, and to extending its influence and interests as far as you can. Your bank, there is no doubt, will soon have an opportunity to observe your activity, and reward your initiative and energy with promotion and substantial salary increase. At any rate, counsel with Mr.——, the cashier, and be guided by his advice." Unfortunately, the cashier thought there could be no objection to such a connection and the clerk proceeded to divide his time, thought and energy. A few months later he left the bank and then the life company, and at this writing is without any position. Thus the bank lost a good clerk—the clerk lost a good position—the general agent lost time in educating and training a part-timer who came and went—his fellow-agents lost more or less respect for the business—the policyholder written by him lost in not having the best advice and experienced counsel—and the general public that came in contact with this agent lost in its respect for the life insurance business.

Problem of Side Lines.

Recently the Salesmanagers' Bureau of the Business Men's League of St. Louis, at one of their "Problem Luncheons," considered the question "Should salesmen do other work—collecting, adjusting complaints, etc?" The universal sentiment was that to secure the best results a salesman should devote himself exclusively to selling. Various salesmanagers, interviewed, expressed themselves to the effect that they would not permit their salesmen to carry side lines. They want the full and undivided attention of their men. In reply to the question, "What effect would it have on your sales force if in the territory of your men you allowed local dealers in various lines to sell your goods on the side?" the answer was, "We would not have

my sales force." "A man cannot serve two masters." "Such practise would be piracy." If the character of the salesman in clothes and food depends upon the protection given him, why is it not reasonable to conclude that the character of the salesman in life insurance is likewise affected by the extent of the protection given him?

The writer, convinced that opinions and practises current among the salesmanagers in widely different lines of business should have large suggestive value to salesmanagers in the life insurance business, addressed the four following questions to the members of the bureau mentioned:

1. Do you permit your salesmen to carry side lines?
2. Do you require your salesmen to devote any of their time to credits, collecting, adjusting complaints, etc?
3. If either 1 or 2 or both are answered "Yes," does your experience lead you to desire a change?
4. What effect would it have on your salesmen if you were to permit persons in their territory, engaged in other lines of business, to place orders with your house on commission?

Authoritative Responses.

Out of 125 responses to question 1, 118 answered "No," 1 answered "Yes," and 5 qualified "Yes" and "No," as, for example, one concern answered "In one or two cases, but think it is bad practise," and another, "We do, but not entirely of benefit to salesman."

Out of 123 responses to question 4, one answered that its business was secured through salesmen carrying it as a side line, 1 said "no effect" and 1 "in some cases," 1 replied "O.K, if it doesn't conflict with regular salesmen," 1 replied, "None, as our salesmen are employed on strictly salary basis and we could credit them with sale," 4 answered "Yes," but qualified, and 115 were emphatic in disapproval of such a plan. Among some of the phrases employed are the following: "Disrupt organization," "They'd all quit," "We would have no salesmen, only order takers," "If they were good salesmen they would quit," "Would take all the ginger out of their work and ultimately lead to failure," and "Demoralize," or "Demoralizing" was used by 18 of the concerns to describe the effect such a practise would have on their selling force.

The preponderance of replies to questions 2 and 3 indicated that these functions should be performed by the proper departments.

If these replies may be taken as a fair index to the opinion of business concerns generally, the entire illuminating correspondence clearly shows that houses strive to relieve their salesmen from attention to anything—even to credits, collections and complaints—that is calculated to divert their thought from their main purpose of selling. Part-time service not only adversely affects the business, but it also obtains no real or permanent advantage for the salesman himself.

Expense of Selecting Agents.

The present method of selecting agents is expensive—the public pays the price. In the city and county of St. Louis approximately 2,900 agents are licensed (December 1, 1914) to write life insurance. Most of them are, of course, part-time men. Suppose the commission paid for the business by these 2,900 agents were divided among, say, 500 agents—the scale of commission could be reduced, thus saving in the cost of the insurance to the public and at the same time each of the 500 agents could receive larger compensation, even at a lower commission schedule because of the larger volume of business placed by them. Now, would the volume be decreased by a change in the method of selecting agents? The life insurance business has lost many strong, effective men—men with possibilities of large production—because after they, by effective creative soliciting, had awakened a desire in a man to buy, where none had ever before existed, they became disheartened when they discovered that a friend of this man—perhaps a clerk, an employe, a partner, a bank attache—has been licensed to write that very business, and sometimes in the very same company for which he has created the desire. The result is that the agent leaves the business. Does the company or the business gain? No. The part-timer now writes no more, for the creator of business is gone.

This very practise observed by others contemplating life insurance work, good and strong men who would become an ornament to the business, results in a change of attitude, and the business of life insurance loses their efficient service. There is plenty of evidence already in hand to show that general managers who have dismissed wholesale large numbers of part-time men and devoted their whole time to the remaining whole-time men have profited by most unexpected and surprising increase, not only in individual production but in the total business of their agents. Would any manager refuse to secure a larger volume from a smaller number of men?

In addition to the objections thus far urged to part-timeism are the further objections that it fosters rebating, twisting, misrepresentation, and the public pays the price.

Easy to Do Wrong.

One of the axioms of government is to make it easy for its citizens to do right, and hard to do wrong. The part-time contract unquestionably reverses the order and makes it easier to do wrong and harder to do right. Beyond doubt, the responsibility rests on the manager who places the young helper in a position where he perjures himself for the first time by dividing commissions with the insured, whether he be a fellow-employe or the employer in a store, railway, or other office where he may be engaged. Suppose each manager employing part-time men ask himself this question, "What would be the effect on the life insurance business if all agencies should do the same thing I am doing to the same extent?" Then what encouragement would the whole-time expert have to remain in the business?

The State conceives it as its duty to throw about its citizens protection against the ill advice, misleading information, defective service and malpractise of those whose primary object is not to serve the public but to exploit it.

It requires that the person who would serve as a lawyer, physician, dentist, pharmacist, pilot in inland waters and upon the high seas, and in one State, at least, as a barber, or in other vocations, must first give evidence of his qualifications before the State will place upon him its stamp of approval and grant him a license. This evidence of qualification can only be shown as a result of thorough preparation during years of arduous application to study. Why not require this of the prospective life insurance agent?

What about the citizen who is induced to purchase \$1,000 of Twenty Year Endowment when the needs of his family for immediate protection recommend \$5,000 of term! Does he suffer any more from such advice than does the citizen who is misled as to the form of his will or his deed or his contract?

What about the citizen who is left ignorant of the difference between the non-forfeiture provisions of his policy, how they operate and which, in his case, he should make automatic! Does he suffer any less than he who has a tooth extracted when it might have been saved?

Unsatisfactory Results.

What about the citizen who is left to believe that the title of his policy vests in wife or child as her absolute property, when it is really a part of his own estate, subject to his creditors, and is not a protection to his dependents! Does he suffer any less than does the man who contracts the ring worm in the barber chair of the ignorant and unsanitary?

What of the man to whom the income feature with an irrevocably named beneficiary without the right of commutation is not visualized and insistently impressed! Does his family suffer to any greater extent than the family whose income is reduced through the malpractise of some quack physician, aurist or oculist?

What of the family of the man entirely deprived of protection because of the prejudice, antipathy, engendered by some ill-advised, meddlesome bore of a part-time life insurance agent!

If the citizen is protected by the State against the quack, the shyster, the malpractiser and the incompetent in the vocations enumerated and in many others, why should he not likewise be protected against the same deficient and inefficient who would exploit him through the life insurance medium? But since the State is laggard in recognizing this obligation to its citizens there

(Concluded on page 20.)

THE SAN FRANCISCO CONVENTION CLUB

Following is a list of members of local associations, and relatives of such members, who will assemble at Chicago on the morning of August 5, where the Convention Special will be taken for San Francisco. Underwriters throughout the country who expect to join this party are requested to send in their names and the names of relatives or friends who will accompany them. The list will appear each month, and will be augmented as additional names are sent in.

Mr. P. L. Bowen, Cleveland, Ohio.
 Mr. David C. Bowen, Cleveland, Ohio.
 Mr. Frank D. Buser, Philadelphia, Pa.
 Mrs. Frank D. Buser, Philadelphia, Pa.
 Mr. George W. Cannon, Davenport, Iowa.
 Mrs. George W. Cannon, Davenport, Iowa.
 Mr. W. G. Carroll, Philadelphia, Pa.
 Mrs. W. G. Carroll, Philadelphia, Pa.
 Miss Carroll, Philadelphia, Pa.
 Fred N. Cheney, St. Louis, Mo.
 Mr. Ernest J. Clark, Baltimore, Md.
 Mrs. Ernest J. Clark, Baltimore, Md.
 Mr. Richard E. Cochran, New York City.
 Mrs. Richard E. Cochran, New York City.
 Miss Isabel Conlin, Boston, Mass.
 Miss Marcella Conlin, Boston, Mass.
 Mr. James M. Dickey, Erie, Pa.
 Mrs. James M. Dickey, Erie, Pa.
 Mr. Chas. Jerome Edwards, Brooklyn, N. Y.
 Mr. Everett M. Ensign, New York City.
 Mrs. Everett M. Ensign, New York City.
 Wm. M. Furey, Pittsburgh, Pa.
 Mrs. Wm. M. Furey, Pittsburgh, Pa.
 Mr. Warren M. Horner, Minneapolis, Minn.
 Mrs. Warren M. Horner, Minneapolis, Minn.
 Miss Helen Horner, Minneapolis, Minn.
 Mr. J. J. Jackson, Cleveland, Ohio.
 Mrs. J. J. Jackson, Cleveland, Ohio.
 Mr. J. Henry Johnson, Oklahoma City, Okla.
 Mrs. J. Henry Johnson, Oklahoma City, Okla.
 Mr. William Klusmeier, Cincinnati, Ohio.
 Mrs. William Klusmeier, Cincinnati, Ohio.
 Mr. H. R. Lewis, Rochester, N. Y.
 Mrs. H. R. Lewis, Rochester, N. Y.
 Mr. Millard W. Mack, Cincinnati, Ohio.
 Mrs. Millard W. Mack, Cincinnati, Ohio.
 Mr. M. W. Mack, Jr., Cincinnati, Ohio.
 Mr. A. J. Meiklejohn, Ottawa, Can.
 Mr. D. R. Midyette, Richmond, Va.
 Mrs. D. R. Midyette, Richmond, Va.
 Miss Lucy M. Morrill, Boston, Mass.
 Mr. J. P. Mulhall, Utica, N. Y.
 Mrs. J. P. Mulhall, Utica, N. Y.
 Mr. Geo. H. Olmsted, Cleveland, Ohio.

Mrs. Geo. H. Olmsted, Cleveland, Ohio.
 Mr. I. Pinkus, Indianapolis, Ind.
 Mrs. I. Pinkus, Indianapolis, Ind.
 Miss Elise Pinkus, Indianapolis, Ind.
 Mr. Henry J. Powell, Louisville, Ky.
 Miss Mary Gunn Powell, Louisville, Ky.
 Mr. Wm. H. Riley, Erie, Pa.
 Mrs. Wm. H. Riley, Erie, Pa.
 Mr. Lee C. Robens, Hartford, Conn.
 Mrs. Lee C. Robens, Hartford, Conn.
 Mr. Chas. W. Scovel, Pittsburgh, Pa.
 Mrs. Chas. W. Scovel, Pittsburgh, Pa.
 Mrs. Florence E. Shaal, Boston, Mass.
 Mr. Neil D. Sills, Richmond, Va.
 Mrs. Neil D. Sills, Richmond, Va.
 Mr. H. Wibirt Spence, Detroit, Mich.
 Mrs. H. Wibirt Spence, Detroit, Mich.
 Mr. J. Putnam Stevens, Portland, Me.
 Mr. Thomas B. Sweeney, Wheeling, W. Va.
 Mr. Hugh M. Willet, Atlanta, Ga.
 Mrs. Hugh M. Willet, Atlanta, Ga.
 Mr. Wilson Williams, New Orleans, La.
 Mrs. Wilson Williams, New Orleans, La.
 Mr. Edward A. Woods, Pittsburgh, Pa.
 Mrs. Edward A. Woods, Pittsburgh, Pa.
 Miss Marjorie Woods, Pittsburgh, Pa.
 Mr. Edward Wallis Woods, Pittsburgh, Pa.
 Mr. J. K. Voshell, Baltimore, Md.
 Mrs. J. K. Voshell, Baltimore, Md.

The Part-Time Agent in Life Insurance.

(Continued from page 19.)

is no reason why the life insurance companies themselves should not anticipate legislation and promulgate and enforce rules eliminating the part-time man from the business. Let their commission men to represent them only after a most thorough examination into their fitness, qualification, integrity and ability to serve the public through the great institution of life insurance.

Objection to eliminating the part-time man has been urged as follows: "Is it right to induce a man to leave a good position and engage in life insurance work until he has tried it?" The answer is: "Is it right, honest and moral to induce him to divide his time, his strength and ambition, which may result in his thorough demoralization?" Men and boys look up to and admire law, medicine and engineering and spend thousands of dollars in securing their training for those professions. Then they willingly embark in that chosen profession, and devote all their time to it, without an advance or a guarantee. Other men, equally as good and equally as effective will be attracted to life insurance when the standard of men engaged in it and the standard of ethics is raised either by the companies, their local managers, or the whole-time experts themselves, but that time will not come as long as the practise of licensing part-time untrained, inefficient, unscrupulous men, to prey upon the business of whole-time experts and upon the sacred business through which men seek to protect their families against the awful day when their loss falls on those loved ones. How long must the public be exposed to the ignorance and the cupidit of the part-time poacher!

The insurance commissioners are opposed to correcting this evil through legislation, because the country is suffering today from a plethora of laws, most of which would never have been provoked if men had not persistently avoided their duty and neglected to introduce and enforce regulations calculated to conserve the best interests of their particular lines of business. It is not difficult to read the tendency of the times, and so it would seem that the companies themselves would forestall the ultimate wrath of the public before it is too late, by correcting so great an evil, which is entirely defenseless from the viewpoint of the insured, the agent, the manager, the company, the business and the public.

To the Members of the Local Associations:

The topic selected for the prize essay contest for the year 1915 is:

"Life Insurance—the Institution for Systematic Thrift"

1. The essays are limited to one thousand words each.
2. The contest is open to each member of every local association belonging to the National Association.
3. Each competitor should submit his essay type-written in triplicate and identified only by a number marked on each copy and also on a sealed envelope containing his name and address and the name of his association—all to be forwarded in one enclosure to Everett M. Ensign, Corresponding Secretary, 56 Pine Street, New York City, on or before July 1, 1915.
4. The writer of the essay adjudged to be of highest excellence will receive the Calef Loving Cup as custodian of the same for his association.
5. The cup will be held by him for his association until the succeeding Annual Meeting of the National Association.
6. The writer of the essay adjudged to be second in merit will receive the Ben Williams Vase, under the same conditions of holding as obtained in connection with the first prize.
7. Should said holder's membership terminate by death or otherwise, the prize shall be held as above by the president of said local association. Should said association dissolve, or its national membership be terminated, the prize shall forthwith be returned to the corresponding secretary of the National Association.
8. All essays submitted in competition shall become the property of the National Association, with the right of publication.

It is the earnest hope of the Executive Committee that this interesting and important feature of the Annual Convention will be participated in by a large number of the membership of each association, so that the highest and best results may be realized.

COMMITTEE OF AWARD

Mr. Seward Prosser, President of the Bankers Trust Company, New York City, Chairman.

Hon. Clark Howell, Editor of the Atlanta Constitution, Atlanta, Ga.

Prof. W. T. Gephart, Washington University, St. Louis, Mo.

The essays will be passed upon by the Committee of Award and its report will be presented at the Annual Convention of the National Association at San Francisco, in August next.

Very truly yours,

EVERETT M. ENSIGN,

Corresponding Secretary.

EDUCATION AND CONSERVATION MOVEMENT IN CHATTANOOGA MEETING WITH SUCCESS.

Members of Local Association Ardent Advocates of Institutional Advertising—Business Increase Largely Due to Movement, They Declare.

Paid Department Conducted in The Chattanooga News for Two Years—Insurance Sermons in Principal Churches, Lectures in Schools Have Produced Results.

By JULIUS J. COHN

Chairman of Education and Conservation Committee of the Chattanooga Association.

Life insurance is "the greatest thing in the world." Through its agency the children are clothed and educated so as to become useful men and women, the wife is comfortably domiciled and saved the pangs of hunger and the wretchedness of the struggle for existence. Life insurance is oftentimes the only means of escape from poverty. It is the sheet anchor in the sea of existence. It keeps the family circle intact. The proceeds of life insurance policies lessen the need for penal institutions and brothels and mitigate "the social evil." It is one of the greatest agencies that make for the uplift of humanity.

Accepting all of this as being true, and we must needs do so, it is the province of those engaged in the business of life insurance to cause the spread of the knowledge of this wonderful thing to "the peoples of the earth." Life insurance, one of humanity's greatest boons, is the most misunderstood of all human agencies.

A Stumbling Block.

The stumbling block in our business has been the misconception of the true functions of life insurance, the disrepute in so many instances of the agent and the company which he "misrepresents," and ignorance of the subject. An unsavory opinion of its functions has been brought about by the mercenary, dishonest and makeshift agents in the field, who have prostituted the business to their own interest. The public has been imposed upon only too often; their confidence in insurance companies, policies and agents has been shattered oftentimes because of the advantage taken of their ignorance of matters of insurance by many unscrupulous agents.

Many men, too, are indifferent to that which should be so vital a part of their life's program. Many prefer the fleeting things of today to the necessities of tomorrow. Many, in their self-centered wisdom, cast the subject of life insurance lightly aside and bury themselves in the business affairs of life, feeling in their minds that life insurance is unnecessary for the perpetuity of the family income, that they will live to make a fortune to leave to posterity. And there are many who are entirely ignorant of the subject matter of insurance, who have not the proper understanding of the philanthropy of insurance and the necessity for life insurance protection.

Healthy Public Opinion.

This condition of affairs—this misconception of the true mission of insurance—this distrust of insurance companies and agents—this indifference on the part of the public and this ignorance on matters of insurance—must be overcome. A healthy public opinion must be obtained. A true understanding of the functions of insurance is absolutely necessary for the growth of the business, the welfare of the agent and for greater efficiency and service to the insuring public.

How to remedy these conditions has been the burning question with those having the interest of the business and the insuring public at heart. This question has been solved after years of patient working and earnest thinking. The answer is "Education." A new awakening has taken place since the dawn of the new era of enlightenment and education. This distrust is rapidly being dispelled, the public is becoming more receptive to insurance and the agent, the growth of the business is becoming something short of marvelous. Education—education of the public—husbands and fathers, beneficiaries, business heads and law makers, has been greatly responsible for this.

To bring about the best that the business offers a non-partisan campaign of education should be adopted by every local association. A plan of co-operative newspaper advertising should be persistently carried on. The newspapers should be asked to co-operate and print occasional editorials on life insurance, the value of insurance and the growth of the business. Lectures on insurance, couched in simple phraseology, should be instituted in the high schools, business colleges, private schools and universities. The ministers should be importuned to preach on insurance as the bounden duty of every man. The members of the local associations should co-operate with the National Association in carrying out their propaganda work.

Work in Chattanooga.

Briefly, let me review the educational work of the Chattanooga Association of Life Underwriters since its organization, three years ago. We have, during that time, carried on a comprehensive, non-partisan campaign of education. The subject of insurance has been preached on various occasions from the pulpits of the most prominent churches in our city. A course of lectures has been instituted in our two high schools, three business colleges, three preparatory schools and the University of Chattanooga. There is no doubt that these lecture courses are a tremendous step in the right direction, as they strike at the very root of society. We are, in this way, molding the minds of the insuring public which is to be—the mothers and fathers of the future—the heads of households and business, so that in later years these very twigs, which we are training now, will be inclined to a receptiveness of the scheme of insurance and to a consummation of the insurance contract, which is to be one of their most sacred and invaluable of possessions.

Through the medium, "The Life Insurance News," which this association has been publishing weekly in the columns of the *Chattanooga News*, the insuring public has been awakened to the great business of insurance. The advertising is educational in character and entirely non-partisan.

Great Responsibility.

During the two years of publication we have endeavored to awaken within the man the greatness of the responsibility devolving upon him as the family head, to protect the future of his dependents through the medium of insurance in case he is summoned hence. We have endeavored to make the public realize that the provision, through life insurance, is the bounden duty of every member of society, no matter what his condition in life may be. That life insurance is a great business science and profession, and not the scheme of idle dreamers. That a life insurance policy should be cherished as one of the most sacred possessions of the home, as it is the one sure thing that will guarantee the continuance of the family income—the means for the food and clothing for the family and for the completion of the children's education. That man is a money-making machine, and as such should capitalize his life for the benefit of his dependents. That life insurance promotes longevity, because of the tranquillity of mind and the ease of conscience that the knowledge of its possession produces. That death comes to the insured as well as the uninsured, and that man should be ready should the final summons come. That he who does not insure his life for the benefit of his dependents if he has the opportunity is a gambler, toying with their future. That he, having dependents, and refuses to insure is a criminal and an absconder. That a partner in business or the head of a firm or corporation is one of the most valuable assets of the business, and that his life should be insured for the benefit of the firm or corporation, so that in the event of his death, the loss of his services or the withdrawal of his interest would not work irreparable injury to the business. That by means of an insurance policy, the young man is taught the habit of saving and the idea of thrift and that many a man has been enabled to embark in business on the funds created by a policy taken in early life. We have warned the public against the abuse of policy loans and have told them that the reserve on their policy is a sacred fund for the benefit of the family and should be held inviolate unless expedient means warranted its withdrawal, and that it should be replaced at the earliest possible opportunity. We have also told the public of the burden of excessive taxation and of unwise law

inimical to the welfare of life insurance. This is only a part of the subject matter that has been treated. Lack of space precludes mentioning many others.

That we have been successful in this co-operative, non-partisan educational campaign is attested by the results that our members have obtained in the increase of new business. Our advertising has been persistent and to the point, always devoid of personalities and mention of companies or their representatives.

And now that the National Campaign is to be launched we feel that we will enjoy the maximum of publicity and education. Every member of our association has contributed to the fund for the National Educational Campaign.

With our local advertising to reach the insuring public in our midst, with the sermons in the pulpits and the lecture courses in the schools and with the National Campaign, with its magazine and periodical advertising to further supplement our local campaign and to reach the insuring public where we have no direct means for education, we feel that the entire field will be covered and that our business, through education, will grow "from strength to strength."

What the Local Associations Are Doing

Life Association News has no paid correspondents. We depend entirely upon the secretaries of local associations to send us stories of all meetings of their respective associations. If an account of the last meeting of *your* association does not appear in this department, ask the secretary of your organization why he did not send us the particulars.

Immediately after each meeting, on the same day if possible, secretaries of local bodies should send us a full account of the business transacted, including copies of all speeches, or extracts from the most important of them.

Atlanta.

The regular monthly meeting of the Atlanta association was held on April 6 at Hotel Winecoff. W. A. Higgins, deputy insurance commissioner, was the principal speaker. An interesting paper on association work was read by W. F. Upshaw, of the Aetna. It was announced that J. E. Pedder, local representative for Bradstreet's Mercantile Agency, will address the association at its May meeting upon "The Value of Business Life Insurance in Mercantile Credits."

The membership of the association is making rapid strides. The following life underwriters were elected: Ben L. Daniel, Wallace W. Daniel, Arthur C. Clarke, Julian V. Boehm, Charles F. Barker, Nathan F. Wolf, William H. Smith (all with the Union Central) and C. M. Kenimer, with the Fidelity Mutual.

Baltimore.

Covers were laid for thirty underwriters at the bi-monthly meeting of the Baltimore association which was held on April 13 at Hotel Emerson. It was merely a get-together luncheon and, outside of some informal discussion on the work of the National Association, only the regular routine of business was acted upon.

Blue Grass.

To say that members of the Blue Grass association, Lexington, Ky., are provident would be putting it mildly. No sooner had they formed a permanent organization and applied for membership to the National Association when they launched a boom for the 1918 convention. That's the spirit of their profession—looking out for the future. And it would not be any great surprise to learn of their success.

The newly organized association will fire its first guns at unjust taxation. Lexington is fast becoming an insurance center and already has the nucleus of a live organization.

Every life company doing business there is compelled to pay an annual license tax of \$250, which is declared to be the highest of its kind in the United States with the exception of Birmingham, Ala. From every \$1,000 that the companies pay to widows and orphans the equivalent of \$75 is withheld by the tax authorities. Following the banquet the regular order of business was attended to, during which affiliation with the National Association was heartily indorsed.

Capital District.

Members of the Capital District association held their regular monthly meeting in the Chamber of Commerce at Albany on March 15. Mr. Kohn, national committeeman, reported on the recent meeting of the National Executive Committee held at Hotel Astor.

The proposal to contribute to the New York association for the employment of counsel was defeated. The local association was asked for an appropriation of \$100 for this purpose.

The second of the series of lectures instituted by the association the Albany Business College was given on March 19 by E. B.entine. He spoke on "The General Science of Life Insurance." The concluding lecture will be given in April by S. G. Landon.

The following resolutions were adopted at the regular meeting: "Resolved: That this association believes that the present insurance law should be so amended as to give the superintendent insurance power to revoke a license for cause.

"Resolved: That it is the sentiment of this association that no man should be appointed as an agent by any company or manager who does not intend to regularly solicit life insurance, or who does not intend to put himself in a position to acquire within a reasonable time a knowledge of this business.

"Resolved: That this association has no objection to the publishing by the superintendent of insurance each three months of a list of those licensed to solicit life insurance in this State, giving names, addresses, companies and occupations other than that of insurance."

Central Pennsylvania.

Members of the Central Pennsylvania association held their annual banquet at the Engineers' Club in Harrisburg on April 5. Winslow Russell, superintendent of agents of the Phoenix Mutual, and G. M. Darby, general agent for the same company at Philadelphia, were the principal speakers.

Preceding the banquet the association held its regular business meeting, at which delegates and alternates to the National convention were selected. J. T. Shirley, of the Equitable, was elected a member of the Executive Committee.

At the conclusion of the banquet V. W. Kenney, president of the association, who officiated as toastmaster, introduced Mr. Russell.

The speaker spoke upon "The Ethics of the Life Insurance Profession." He expounded his subject in an original way by what he termed his declaration of independence.

Mr. Darby followed Mr. Russell in a most pleasing and helpful talk on the better appreciation of life insurance as a vocation. At the conclusion of the speeches the meeting was thrown open to general discussion on the welfare of the business. As an expression of appreciation the association elected Mr. Russell and Mr. Darby honorary members.

Central Texas.

Texas is rapidly coming to the front in association work. On March 20 the leading life underwriters of Waco and vicinity formed a permanent organization of the Life Underwriters' Association of Central Texas. While there were but 19 underwriters

present at the organization, the names of 18 others were submitted for membership. This will give the new association a rousing start.

The regular meetings will be held on the second Saturday of each month. Current rumors of rebating in that section will be investigated by a special committee, and the members will concentrate their forces against this evil. The election result follows:

J. S. Shaw, of the Southwestern Life, president; C. C. Edwards, of the Southern Union Life, vice-president; A. Suhler, of the State Life of Indiana, second vice-president; C. T. Link, of the Southern Union, secretary-treasurer; Lee H. Richards, of the Amicable Live, chairman of the Executive Committee.

Chicago.

The first mid-day meeting and luncheon of the Chicago association was held at Hotel LaSalle on April 6. Those who fostered the plan to hold the regular meetings at mid-day instead of evenings, believing it would enlarge the average attendance, were justified in their contention.

Resolutions were submitted calling upon the State Insurance Department to impose more stringent requirements on the licensing of insurance agents and declaring against the appointment of part-time agents. These matters brought out some spirited discussion and opposition. They were referred to a committee and will be reported upon at the next meeting.

The Education and Conservation movement was also discussed at length. The report of the committee which expects to institute a course of lectures in the local educational institutions was received with much enthusiasm. The increase in membership is rapid and the association expects to make great strides during the present administration.

The Executive Committee reported the appointment of the following on a committee of education: George R. McLeran, Home Life; J. F. Oates, Northwestern Mutual; Courtenay Barbour, Equitable Life; E. A. Ferguson, Union Central Life, and Alfred MacArthur, National Life, U. S. A.

Forbes Lindsay, of Los Angeles, of the Pacific Mutual, was present at the meeting. He extended a special invitation to members of the association who visit the Exposition to come to Los Angeles as guests of the local association.

Chattanooga.

The first application of the moving picture to drive home the lessons of life insurance was made recently in Chattanooga during Merchants' Week.

The idea was inaugurated by J. W. Bishop, of the Volunteer State Life. Mr. Bishop, assisted by Julius J. Cohn, a local underwriter; the Salvation Army and several other persons, staged the play, and the promoter is jubilant over the results of the "movie" as a publicity getter.

The story tells how "Frank Wilson" and "Henry Wells," traveling men, were importuned to insure and shows that "Wilson" bought the \$10,000 policy, but that "Wells" refused to insure. The scene then shows the agent scanning the newspaper and reading of the death of Wilson and Wells in a railroad accident. The scene then shifts to the home of Mrs. Wilson, where a check for \$10,000 is paid to the widow. The homes of Mrs. Wilson and Mrs. Wells are shown as they exist three years later. A strong contrast is brought out in depicting the warm, happy and comfortable home of Mrs. Wilson and the distress and poverty in the home of the Wells, who are subsequently evicted, and the sympathy tendered the evicted family by the Salvation Army. The film story was well received in Chattanooga and became an important topic of conversation in business circles. The picture was displayed again during the meeting of the Southern Governors in Chattanooga April 3, 4 and 5.

The Chattanooga association held its regular meeting on April 2, at Hotel Patten. The report of the committee in charge of the insurance lectures which are being instituted in the various educational institutions was received with enthusiasm. Some splendid publicity has been secured through this channel.

Cincinnati.

At the regular meeting of the Cincinnati association, held on April 6, at the Business Men's Club, it was announced that Hugh M. Willet, president of the National Association, will be

the guest of honor at the June meeting, also that Dr. S. S. Huebner, of the University of Pennsylvania, will probably be the principal speaker at the May meeting.

The meeting was given up largely to the advertising campaign. The committee reported that \$1,700 had been subscribed and that there will be little difficulty in raising the \$3,000 which was originally planned.

There is a movement on foot backed by the Cincinnati, Columbus and Cleveland associations to have Dr. Huebner tour Ohio in the interests of life insurance. The former association has set May 11, upon which date Dr. Huebner will address the students of the University of Cincinnati in the afternoon and the Business Men's Club in the evening.

The Columbus and Cleveland underwriters expect to have him as their guest on May 10 and 12.

Cleveland.

By a unanimous vote, after hearing the report of the Executive Committee on the case of Louis Rheinheimer, who has been charged with rebating, members of the Cleveland association decided upon his expulsion. This action was taken at the regular meeting held on March 15, in the Chamber of Commerce.

According to A. D. Hatfield, president of the association, this is the first move against those who practice this evil in Cleveland and its vicinity. Mr. Rheinheimer, it is said, admits that he has rebated in several other cases and promises to throw a bomb shell into the local business. The defendant charges that the practice is general in Cleveland, and if his charges are substantiated there will be a lively time for the underwriters in that city.

After the rebating matter was disposed of the remainder of the meeting was given over to a discussion of the industrial end of the life insurance business. The program was arranged by G. W. Bodenhorn, of the Metropolitan, and J. W. MacIntosh, of the Prudential. The association adopted a resolution of sympathy for H. H. Hoard, who is mourning the death of his wife.

Colorado.

Members of the Colorado association are organizing to fight the "Wallingfords" who in the past have found it quite lucrative to prey upon the widows and orphans who receive legacies through insurance policies.

No legislative acts or penalties are involved in the scheme. They will merely prohibit the publication of the names and amounts paid to insurance beneficiaries. Instead of this the total amount of claims paid will be published semi-monthly.

"Cases constantly come before our eyes," said C. M. Reich, president of the Colorado association, "where a widow with a family will receive from \$5,000 up on an insurance policy at her husband's death. Hardly has the money reached her hands when letters, circulars and various kinds of literature come from all over the country urging her to invest in some get-rich-quick scheme and make herself independent.

"These schemes usually have a color of good faith, and for three or four years nothing serious is suspected. Then the widow suddenly wakes up and finds herself without means and unable to proceed against the fake investment man. The names are secured from the monthly reports of the insurance companies. The companies print them to furnish invaluable help to their own agents in selling insurance, but we have decided that the names hereafter will be confidential.

"Most of the companies operating in the State have agreed to this procedure. It is better that an insurance policy should not have been written than to have it swallowed up in a few weeks by some shark of business."

The Colorado association is also preparing to entertain the National Association of Life Insurance Underwriters if the delegates pass through Denver on their way to the annual convention to be held at San Francisco.

At the last meeting some objection was also offered to a very common assertion to the effect that great quantities of money go to insurance companies which make no return. Last year the volume of insurance written in Colorado was \$29,690,000 and the premiums paid amounted to \$5,878,729. The death claims paid amounted to \$1,914,551 and, with the money returned in loans and investments, according to President Reich, this is more than the amount paid in premiums.

The regular monthly meeting of the association was held on

March 13, in the office of Mr. Hodnette, general agent of the Union Central. A motion was adopted inviting the National Association to route its convention special through Denver in August.

The local underwriters are seeking the co-operation of the State insurance department in the elimination of an existing evil—the practice of agents discounting notes given for premiums. The State authorities are in favor of legislation preventing this practice. When the matter was taken up at the meeting the association voted to support the movement.

Columbus.

In order to demonstrate the great progress made in soliciting methods by the association of underwriters, members of the Columbus association staged a lively entertainment at the meeting held in the Columbus Athletic Club on March 19. The exposition of 1894 and 1915 methods was made as follows: Benjamin L. Lewis was the "prospect." He was first "approached" by M. D. Donham, in '94 style. The "agent" represented the "Excelsior Life," and the way he roasted the company's "prospect" was in was a caution.

Failing to "land," the "agent" quit, leaving the "prospect" imbued with the idea that he was hitched up to a bunch of junk.

Then "Dusty" Rhoades, of the "Eureka," solicited in 1915 style. "Dusty" admitted that the prospect was insured in good companies, but sold a monthly income policy, on the argument that by taking this policy the "prospect" was not spending money, but saving it.

After the soliciting exhibition talks were made by Superintendent of Agencies York of the Equitable, who happened to be in Columbus; Lot H. Brown, Fritz Lichtenberg, R. Rhoades, S. M. Orwig and others on methods of creating interest in life insurance.

Upon suggestion of Mr. York, it was decided to secure some minister of the gospel to preach a sermon on life insurance, the association to attend in a body. A committee consisting of Messrs. Tyndall, Tice, Rhoades and Lichtenberg will make arrangements for the service.

Delaware.

The regular meeting of the Delaware association was held in the office of Arthur W. Swarts, Du Pont Building, Wilmington on March 30. Delegates and alternates to the National Convention to be held in San Francisco were selected.

The association adopted a vote of thanks to the editors of the local newspapers for the liberal amount of space they devoted to the lecture delivered by Frank Sheppard, of the Provident Life & Trust, on March 29 to the students of the Wilmington High School.

Charles B. Palmer, of the committee on education and conservation, reported upon final arrangements for a course of lectures upon life insurance to be given at Delaware College. Dr. S. S. Huebner, of the University of Pennsylvania, will lecture upon "The Family and Business Uses of Life Insurance" on April 2. Ernest J. Clark, of Baltimore, former president of the National Association, will lecture on "The Field and the Agent," on April 30. These lectures will be open to the students and the public as well.

Mr. Sheppard spoke upon "The Principles of Life Insurance." He was accompanied by William W. Knox, James F. Price and other members of the association and was introduced by Principal A. H. Berlin. The lecture was well attended and the local underwriters are enthusiastic about the probable results of the campaign.

Detroit.

Former National President Charles W. Scovel spoke before members of the Detroit Board of Commerce on April 6. Mr. Scovel was to have been the principal guest and speaker at the regular meeting of the Detroit association on the evening of April 5, but owing to unavoidable circumstances the meeting was postponed.

After a short talk before the local underwriters upon "The Monthly Income Policy," Mr. Scovel adjourned to the bi-auditorium to address a large gathering of laymen. He treated the business of life insurance in simple terms and was enthusiastically applauded at the conclusion of his remarks.

District of Columbia.

After reading with interest of the Iowa association's "cabbage and potatoes" membership campaign, members of the District of Columbia association have decided to follow suit. While the Washington underwriters are not strong for cabbage they would probably accept it if a good substitute cannot be found.

At the regular meeting of the association which was held at the New Ebbitt Hotel on April 8 a special committee of fifteen was appointed, with Holcomb C. Johnson as chairman, to inaugurate a membership campaign. "One hundred members by May 15," is the slogan.

This was the first meeting under the new administration, George C. Jordan, of the Equitable, recently elected president, presiding. The other officers are: Orville B. Drown, of the Massachusetts Mutual, vice-president; Eugene G. Adams, of the Continental Assurance, secretary-treasurer, and James Lee Bost, of the Home Life, chairman of the Executive Committee.

Among the new members admitted were: Thomas P. Morgan, Jr., of the Mutual Life; R. S. Marshall, of the Germania Life, and Phillip R. Carleton, of the Northwestern Mutual. Mr. Bost was the principal speaker.

Erie County.

Members of the Erie County association are greatly disturbed over the invasion of non-licensed underwriters from other States. Following the regular monthly banquet, which was held on March 12, a committee was appointed to investigate the alleged conditions. It was reported that foreign agents were writing large lines of life insurance in this vicinity. The members consider this an imposition and will decide upon some definite line of action after the investigation has been made.

An impromptu speech was made by P. V. Gifford. J. E. Garney, of the Metropolitan Life, was admitted to membership.

At the bi-monthly meeting which followed on March 27 a report was made on overhead writing by non-licensed agents. The association empowered the Executive Committee with authority to act. Short speeches were made by J. S. Billing, F. S. Phelps and D. A. Jones.

Evansville

Powerful arguments against the unjust taxation of life insurance were presented to the members of the Evansville association by United States Senator Lawrence Y. Sherman, of Illinois, at the semi-monthly meeting which was held at the St. George Hotel on March 15.

Of similar importance was the speech of W. E. Bilheimer, of St. Louis, agency inspector of the Equitable of New York, who, upon request, spoke upon "Investing a Life." Another prominent guest was ex-Senator James A. Hemenway, of Booneville, who is a director in the Intermediate Life.

The meeting was attended by about 125 of the underwriters and guests and was one of the most enthusiastic gatherings of its kind ever held in Evansville. Charles B. Rudd, president of the local association, officiated as toastmaster.

Florida.

Several political celebrities were the guests of the Florida association, which held its banquet at the DeSoto Hotel in Tampa on March 17. The meeting was attended by more than forty of the leading underwriters in the State. The duties of toastmaster were efficiently handled by Dr. S. L. Lowry, general agent for the Reliance Life.

Congressman W. T. Martin gave an interesting talk on the relationship of the life insurance agent to the community. State Senator W. F. Hines spoke at length on the injustice of State taxation of life insurance premiums. Of unusual interest to the underwriters was the speech of the Hon. J. C. Luning, State treasurer. He outlined very clearly the insurance situation in Florida and also the pending legislative matters in which the Insurance Commissioner was interested. Mr. Luning's views received the hearty indorsement of the association. That association work is receiving serious attention from the various State officials was welcome news to the local underwriters.

"Florida is the dumping ground of fraternal insurance companies," declared Mr. Luning in speaking of the tenth bill. "At the present time the State has no law regulating fraternal insurance, and the companies themselves have expressed surprise at

the oversight. A protective bill has been drafted to control these companies."

Wide differences of opinion prevail on the practicability of a proposed law compelling insurance companies to invest a certain percentage of their reserve in Florida. S. L. Lowry, who is the author of the bill, believes it will work many advantages for the State, will make a market for bonds and make cheap money. The bill is patterned, he said, after the Robertson law in Texas. The Florida bill would be more lenient, though. Texas requires 75 per cent. of the reserve to be invested in the State. Florida will require the investment of only 65 per cent.

"Under this act," said Dr. Lowry, "insurance companies will be given three years in which to put up a reserve. Sixty-one million dollars have been invested in Texas as a result of that law. Yet in Florida the records show that the insurance companies have only \$16,000 invested in Florida farms. Among other things, this law will encourage home companies."

Opposed to the bill is J. C. McKay, who fears such a law will drive many big insurance companies out of the State. He said the withdrawal of one big company which he represents will seriously hamper his income, and he knows other agents are in the same position.

Fort Dodge.

Wilson T. Scott was the principal speaker at the last regular meeting of the Fort Dodge association, held on April 3. He delivered an interesting speech upon the subject, "When Should Competition Cease?" The meeting was well attended and tentative arrangements were made to select a delegation to represent the association at the coming National convention.

Grand Rapids.

Grand Rapids life underwriters gathered at the Association of Commerce building on April 3 to conduct their regular monthly business meeting. R. E. Billings, general agent for the Massachusetts Mutual, was the principal speaker. He spoke in the interest of the new Insurance Federation in Michigan. The Rev. J. T. Thomas, of the Westminster Presbyterian Church, discoursed upon "Relation Between Religion and Life Insurance."

Indiana.

Members of the Indiana association are making extensive preparations for the banquet and meeting to be held in Claypool Hotel, Indianapolis, on Monday evening April 26. At the regular business meeting which was held on April 5 it was announced that United States Senator Lawrence Y. Sherman, of Illinois, W. E. Billheimer, of St. Louis Equitable; John L. Shuff, postmaster of Cincinnati, and other speakers of national reputation will be the principal guests upon this occasion.

Numerous invitations have been sent to local bankers and other prominent business men, and members of the South Bend and Fort Wayne associations as well. According to the tentative arrangements it will doubtless be one of the most important life insurance meetings ever held in the State.

The first copy of the education and publicity campaign appeared in the *Indianapolis Star* on April 5. The edition was discussed at length and there seemed to be a consensus of opinion that it comprised excellent educational material.

Iowa.

It's extremely bitter to be a member of the losing team in a red-hot membership campaign, but it is not to be compared with the bitterness of the penalty imposed upon the losers in the recent campaign for new members instituted by the Iowa association.

The losers were compelled to subsist on a mess of cabbage and boiled potatoes, while their conquerors devoured with avidity several rare, juicy, milk-fed Iowa turkeys, and accompanying list of delicacies, comprising a feast fit for a King, at the banquet held at Hotel Chamberlain, on April 3.

And to add injury upon injury they were compelled to sit within eyesight of the turkey table.

However, the losing team members deserve credit for their gameness. It is through their fighting qualities that the membership of the Iowa association was doubled during the campaign, it now having 125 underwriters to its credit.

M. M. Deming, of the Kansas City Life, was master of cere-

monies. He escorted the winning team, captained by E. D. Bream, at the turkey table, while the losers, in charge of George Pfanz, were seated at the cabbage table.

J. E. Meyer, manager of the Aetna at Minneapolis, was the principal speaker. Preceding Mr. Meyer's speech, the Rev. C. W. Lowrie was introduced by Charles N. Anderson, president of the association, who officiated as toastmaster.

Mr. Meyer recited some of his adventures during his twenty-five years in the life insurance game. Whenever he had a point that needed illustrating he had the necessary illustration forthcoming. He made a plea for higher standards, declared his faith in the Golden Rule method of doing business and gave the twister a terrific lambasting. Rebating he declared to be an unmitigated evil and asserted that the man who rebates loses not only the respect of himself but also of the man he favors.

Mr. Meyer declared he had less respect for the man who dies, goes to heaven and looks through a crack to see his widow toiling to support her six children than for the man who goes to the lower regions and looks up to see his wife in comfortable circumstances because he had carried life insurance.

There was something magic about the cabbages and potatoes. At any rate, local associations who find recruiting very slow might try the Des Moines plan. The local life underwriters will all tell you that there is a "good omen" in these simple necessities of life.

Jacksonville.

Friends of Col. Walter P. Corbett, of the Jacksonville association, took advantage of his absence by electing him to the presidency of the local body, to fill the unexpired term of the late R. Jeter Jones whose recent death caused the vacancy.

During the time the special meeting was being held in the office of Tracy L. Acosta Col. Corbett was making an extended business trip in Cuba. He was notified by wire of his election.

A committee was appointed to draw suitable resolutions of regret upon the loss of President Jones. He was one of the leading men of the organization and held the presidency since the local association was organized.

Kalamazoo.

H. Wibirt Spence, treasurer of the National Association, who was very active in the organization of the Kalamazoo association, was the principal speaker at the annual meeting which was held in the Park-American Hotel on March 8. Following the banquet the underwriters and their guests participated in dancing. The following officers were elected for the ensuing year:

C. D. McGibney, of the New York Mutual, president; T. Y. Sebring, of the Mutual Benefit, first vice-president; H. W. Huysman, of the New York Mutual, second vice-president; J. D. Gold Smith, of the Sun Life of Canada, secretary-treasurer; A. A. Graham, Penn Mutual; A. C. Gilbert, Union Central, and S. S. Evans, Michigan Mutual, Executive Committee.

Kansas City.

Members of the Kansas City association have established a co-operation with the local Federal Reserve Bank. This was brought to light at a meeting on March 17.

George A. Lock, chairman of a special committee appointed to confer with the local bankers upon the subject of life insurance and credit, reported that the Federal Reserve Bank of Kansas City is now asking many questions from borrowers concerning the amount of life insurance, name of company and cash surrender value. These questions must be explicitly answered by all persons seeking loans. It was further discovered that all local trust companies and financial institutions are making more or less inquiries concerning life-insurance policies from prospective borrowers.

The new Executive Committee will consider the advisability of a thorough educational and publicity campaign. The association members are enthusiastic over the results of publicity ventures of other associations.

Mr. Lock suggested that the bankers might be asked to represent more explicitly to borrowers the advantage of having sufficient life insurance to cover the equity of the estate in the collateral deposited to secure the loan. The Kansas City association will proceed this year with the effort to interest bankers more generally in the extension of life insurance to protect borrowers as well as the banks.

E. M. Somerville, who began his administration as president appointed the following Executive Committee: Arthur W. Harstone, of the Union Mutual; E. W. Poindexter, of the Northwestern Mutual; L. A. Ellis, of the Provident Life and Trust; E. S. Ashbrooke, of the North American Life, and James J. Farney, of the Bankers Reserve Life.

Knoxville.

Several topics of interest to local life underwriters and policy holders as well were discussed at the regular monthly meeting of the Knoxville association, held on March 27. There were twenty-five underwriters in attendance.

The report of the Law and Legislation Committee was given an unusual amount of attention. It was voted to hold another anti-taxation meeting within the coming month. The committee will arrange for a banquet at which the principal Solicitors of the city and State will be the guests. This will give the underwriters ample opportunity to get in touch with the lawmakers and to explain their wants.

The examining physicians in Knoxville have shown their approval of honorary membership by regular attendance. It is believed that direct co-operation between the physicians and underwriters will prove very beneficial.

Los Angeles.

Owing to the great interest manifested by Los Angeles life underwriters in association work it has been decided to hold regular meetings semi-monthly in the future. This action was taken at the last regular meeting, which was held at Christopher's on March 5, President W. C. Shaw presiding.

That Los Angeles will be in the running for the membership trophy is obvious. To stimulate unusual interest in the contest two teams have been selected. One is headed by J. N. Russell Jr., the other by J. W. Gunther. According to the rules of the contest the losers will banquet the association, with the winners as guests.

Seven new members were elected. They are A. G. Slocum, of the New York Life; F. H. Miller, of the Metropolitan; George A. Ragan, of the Provident Life and Trust; F. E. Dudley, of the Pacific Mutual, and Messrs. George H. Benkert, James T. Holister and B. Franklin Biggs, of the Occidental Life.

Walter E. Hoefflin, of the Connecticut Mutual, was elected chairman of the Executive Committee to succeed George A. Rathbun, who resigned, and F. E. Dudley was elected secretary, succeeding W. C. Mage.

Following the general discussion of the publicity campaign it was decided that an active effort should be made to enlist the local clergy in the observance of "Insurance Day," April 18. They will be requested to make life insurance the topic of their sermon upon that occasion.

Louisiana.

Members of the Louisiana association devoted considerable time in discussing the special inquiry sent out by the National Association at their regular meeting held in New Orleans on April 5.

Each member was requested to fill out a blank from which can be compiled the most diversified insurance opinion possible as to the qualifications necessary for a successful life insurance agent.

The local association will also make an inquiry, in accordance with the request of the National Association, the purpose of which it is to ascertain from the local Federal Reserve Bank what requirements are made by this institution concerning the amount of life insurance carried by persons seeking loans. The inquiry was referred to the Executive Committee.

A. D. Morrison, representing the Pacific Mutual at Chicago, and George H. Terribery, a prominent local attorney were the principal speakers. The new members elected were: R. B. Traube, Mutual Life; T. W. Lunt and J. J. Finneran, Fidelity Mutual; Edward Segers, Union Central, and T. P. Cummings, New England Mutual.

Louisville

Members of the Louisville association are discussing the advisability of launching an energetic publicity campaign. At a recent meeting C. T. Watkins, of the National Life, was appointed to investigate the fine results reported to have been secured in other

You Can Say This to Your Friend!

Dear Bill:

The other day I heard of a Company that helps make a salesman a *Real Good Salesman*. It has a course in training, prepares actual sales for its men, and is continually striving to build their incomes.

Yours, Jack.

P. S. By the way the Company is

The Phoenix Mutual Life Insurance Company OF HARTFORD, CONN. JOHN M. HOLCOMBE, President

ities by the use of advertising material furnished by the Education and Conservation Bureau of the National Association.

An interesting address was delivered by Mr. Secoy, of the Phoenix Mutual. The question of joining the Kentucky Insurance Federation was discussed. It was decided, however, that better results can be obtained, as far as the life underwriters are concerned, by concentrating their energies upon their own organization. The affiliation of individual members will not be opposed by the association.

Macon.

Members of the Macon association at their annual meeting, which was held recently, launched a boom for the coming State convention which will be held some time in May. As Macon is located in the centre of Georgia the local underwriters are confident that their invitation will be accepted by the other associations.

The annual election result follows: Thomas S. Lowry, Jr., president; G. E. Paine, first vice-president; C. M. Adams, second vice-president, and W. G. Roberts, secretary-treasurer. Clay Murphey, J. L. Jessup and O. P. Beall were appointed to the Executive Committee. Mr. Lowry was honored by re-election, having held the presidency of the association during 1914.

Madison.

When it comes to plank making the Democrats, Republicans and Progressives invariably eschew the temperance question. It generally splits a national party into factions. President Wilson cunningly avoided the issue in the 1912 campaign on the grounds that it was a social and moral issue.

However, the dauntless members of the Madison association have come right out in the open by unanimously placing themselves on record for a "dry" Madison. This action was taken at the regular meeting held on March 26.

State Senator Bosshard was the principal speaker. He is chairman of the State committee on corporations and is a loyal booster for life insurance. Mr. Kelly, of the Central Life, and Mr. Maxwell, of the Northwestern Mutual, participated in an interest-

ing debate upon "Resolved, that the disability clause as written by life insurance companies at present is desirable for the policyholders." L. A. Anderson, actuary, officiated as judge.

Minneapolis.

Minneapolis life underwriters listened to an interesting debate at the regular meeting of the association which was held on March 27. "Can a Paid-up Life Insurance or an Unmatured Endowment Policy be Profitably Surrendered for the Purpose of Taking Out a New Policy?" was the question. The negative was discussed by W. B. Cheney and F. M. Flory, while affirmative discussion was advanced by J. W. Goodman and I. F. Kauffman.

The debate was followed by a general discussion upon the same subject which brought out some interesting opinions.

Minnesota.

The regular monthly meeting of the Minnesota association was held in St. Paul on March 8. The banquet was served at Darling's Cafe and was followed by an interesting business session. In the future, however, the association will hold its meetings at noon. It is expected, from the experience of other associations, that this will bring about a larger attendance.

E. W. Randall, of the Minnesota Mutual, chairman of the Legislative Committee, reported that the State insurance commissioner had agreed not to present before the Legislature a bill making notes given in payment for life insurance non-negotiable, and so stamped across their face. An interesting speech on the "American Mortality Table" was made by T. A. Phillips, actuary for the Minnesota Mutual.

Mississippi.

Members of the Mississippi association adopted a set of resolutions on "Ethics" at the regular meeting, which was held in Jackson on April 12. The resolutions bitterly denounced improper methods which, it is alleged, are being employed by local agents. The president urged a large attendance at the next meeting, which will be held on May 3, at which the delegates to the National convention will be selected.

Nashville.

Rebating, twisting and plugging have had their innings before the members of the Nashville association. From general reports it is understood that the local life underwriters have been confronted with an unusual amount of these evils.

Previous resolutions, however, have been adopted against rebating and twisting. At the last meeting of the association, which was held on March 13, a resolution was adopted against the practice of "plugging." It has been disclosed that certain members have been employing "spotters" in certain big firms in the city to tip off possible prospects. The use of this scheme has resulted in good prospects being tipped off to certain agents, to the disadvantage of others.

The resolution also includes a blow against the part-time agents. It provides that no part-time contracts be issued except in cases where the general agent is reasonably sure that the applicant for such contract intends putting earnest effort into the business.

R. C. Webster, of the Prudential, and L. J. Lowenthal, of the Northwestern Mutual, led the forces in fighting for the discontinuance of such practice.

New England Woman's Association.

A spirit of enthusiasm over the coming National Convention, to be held in San Francisco in August, was obvious at the March meeting of the New England Woman's association. Mrs. Florence E. Shaal, president of the association, read President Willet's letter and supplemented it with an alluring description of the trip to and from San Francisco. She insisted that the members of the association send a record-breaking deputation to the convention.

Mrs. Shaal dwelt upon the wonderful opportunities afforded delegates to hear the brilliant speeches and discussions which always mark the National Convention. This coupled with the opportunity of visiting the Panama-American Exposition will make the trip well worth while, she declared.

New Hampshire.

The regular meeting of the New Hampshire association was held on April 9 in the Y. M. C. A. Building at Manchester. Forty-one plates were set. Following the banquet Charles E. Merritt, of the John Hancock, who officiated as toastmaster, introduced Dr. Dwight, medical director of the New England Mutual; Walter L. Crocker, of the John Hancock; Major Frank Knox, editor of *The Manchester Union*, and Robert J. Merrill, Insurance Commissioner of the State, as the principal speakers.

Dr. Dwight spoke of the enactments and achievements of the medical department. He was followed by Mr. Crocker. Major Knox delivered a very interesting talk upon "Publicity," emphasizing the significance of the proper kind of matter. Commissioner Merrill outlined the policy of his office and commented upon the hearty co-operation between the life underwriters and the department.

John J. Donahue, of the Union Central; John W. Coyne, of the Penn Mutual, and Herman W. Ayres, of the Phoenix Mutual of Manchester, were elected to membership.

New York.

The Luncheon Committee of the New York association was too generous with its invitations to the regular meeting at Kalil's on March 23, and as a result the place was invaded by more than 1,500 agents representing two companies. Regular members found themselves crowded out and were compelled to dine elsewhere. This invasion was the direct result of the proposed modification of Section 97 of the Armstrong law. The allies, however, captured the meeting and adopted a resolution favoring the passage of the proposed amendment. Association members did not consider this action official.

This unexpected onslaught necessitated a special meeting of the New York association, at Hotel Astor, on March 27, limited to members. The intense interest manifested in the pending legislation brought out 150 members. In fact, nearly every company doing business in the State was well represented.

The debate was a spirited one. Resolutions were adopted which singled out so-called "cheap policies" of five prominent companies. The underwriters representing the companies in question bitterly criticized these measures, but they were finally adopted by an overwhelming majority.

The resolutions which were adopted by the association condemning the issuance of these policies and opposing the proposed legislation read as follows:

Whereas, Several companies, namely, The Metropolitan Life Insurance Company of New York, Aetna Life Insurance Company of Hartford, Connecticut; New York Life Insurance Company of New York, and Travelers Insurance Company of Hartford, have seen fit to put upon the market policies carrying an inadequate loading, and

Whereas, It would be impossible to support a company paying a living commission to its agents, or give sound protection to its policyholders, if such policies alone were issued, and

Whereas, This association believes that any company should fix its loading and pay such commissions to its agents as it sees fit; yet this association thinks that the loading fixed or commissions paid by any company should be uniform; be it therefore

Resolved, That this association goes on record protesting to The Metropolitan Life Insurance Company, Aetna Life Insurance Company, New York Life Insurance Company and Travelers Insurance Company against the continued issuance of such competitive policies as they now issue, and be it

Resolved, That this association does appeal to other companies doing business in this State against the proposed issuance of such competitive policies as mentioned above, and be it

Resolved, That a copy of these resolutions be sent by the secretary of this association to all companies doing business in this State; to the National Association of Life Underwriters, and to the other underwriters' associations of this State asking for their support and co-operation.

A vigorous speech against these policies was made by Lawrence W. Priddy, president of the association. He said that he did not see how the policies could be defended by the companies, also that he had protested to his own company against the issuance of such policies.

George W. Johnston, representing the Travelers, made the following remarks in regard to these special policies:

"It is possible that as a representative of the Travelers Insurance Company I ought to oppose this resolution and, on the company's part, resent the criticism of its policies, but I must confess that I feel very much as the chairman has expressed himself with reference to the policies paying low commissions, and for this reason I am in favor of the resolution, but it is evident that this meeting does not understand the Travelers' policies. I wish to explain them.

"They are not, like some of the other policies criticized, open to the objection of rebating or misunderstanding. The Travelers' policies provide insurance to ages sixty, seventy or eighty, and with a cash value equal to the premiums paid. They are not ordinary life policies; they do not pretend to be; and it is almost impossible to represent them as being ordinary life policies. Actually, they are unobjectionable. They really amount to nothing more than term policies with an extra reserve. A term policy is insurance for a number of years with only enough reserve to keep the rate from increasing. These are term policies with enough extra reserve to equal the amount of the premiums paid.

"There can be no objection to the selling of ordinary term policies with a commission of 20 per cent. And, therefore, there can be no reasonable objection to the selling of these policies at 20 per cent. when they are simply term policies with an extra. In spite, however, of the legitimate character of the policies, and the impossibility of misrepresenting I personally have never sold one. They have been offered for some time, but the rate books are in my desk and our office has never sold one nor do we expect to. However, this is not because the policies are not good. It is because I am afraid and I am opposed to selling of any insurance under the 40 or 50 per cent. commission which we find is necessary in order to make a living. If in competition a company finds it possible to sell one policy for 20 per cent. it may be disposed to pay less than that, or to pay the 20 per cent. on other policies as well. Moreover, it cheapens all policies to be offering some specialty at a very low price. Nor do I believe these policies to be good for the insured, who would be better off if he paid a trifle more and secured a policy good for the whole of his life.

"Now, as to the policy of the Metropolitan—and I am not criticizing the company nor am I criticizing men who sell its policies.

I speak only of the actual results as they seem to me. I consider that as usually sold the Metropolitan policy gives rise to the subtlest form of legalized rebating. The ordinary policy is sold to the man who does not know of this special policy and the special policy is sold only to the man who does happen to know of its existence or is advised of it because of competition. This amounts to discrimination among purchasers. One set of purchasers is favored with a knowledge of which the other set is kept in ignorance. This is the reason why I am opposed to the Metropolitan's special policy, and having seen this resulting from it I am not in favor of the selling of special competitive policies by insurance companies, even my own, but I must not be understood as criticizing the policy or the motives of my own company, who are the most reasonable and fair in all such matters, and have only issued our policies for the purpose of helping us against any difficult competition.

"I shall explain to them the position I take here, and am sure that they will be reasonable and have no desire to offer any policy which would tend to injure the best interest of life insurance."

The proposed amendment was ably defended by Robert A. Mix, of the Prudential. He spoke in part as follows:

"Some gentlemen have made the remark that they viewed with alarm any change whatsoever in a law which has done so much to advance the cause of life insurance as has Section 97 of the laws of the State of New York, and let me say to these gentlemen that in my judgment there is no occasion for such alarm.

"In the first place, the amendment proposed is not one which would lead to extravagance in the conduct of the life companies of this country and, in the second place, it would be a dreadful thing if it were true that a law, no matter how excellent, could not be amended. A law may be a perfectly good and most beneficial one at the time it is passed and eight or ten years thereafter the same law may be detrimental to the interests of the people, this for the reason that in the process of years circumstances may have arisen which would make the rigid enforcement of the law as originally passed work serious injury to the general public, and this is true in the case of Section 97, the amendment of which is now being considered."

Among the other men who spoke against the amendment were Perez F. Huff, of the Union Central, and Edward W. Allen, of the New England Mutual. The issue is without question one of the biggest with which the New York association has been confronted in years and its outcome will be watched with intense interest by practically every life underwriter in this country.

Oklahoma.

Members of the Oklahoma association met at Oklahoma City on March 8. Among the principal speakers were Miles Lansater, R. G. Emmert, C. M. Pinkerton and L. M. Homsher. Considerable time was consumed in an interesting discussion of the fundamental principles and the prime object of association work. A campaign will be instituted shortly to get as many of the Legal Reserve agents as possible into the State association.

Mr. Lansater, chairman of the local Education and Conservation Committee, reported on the recent meeting of the Executive Committee of the National Association held in New York. Mr. Emmert, chairman of the Legislative Committee, discussed pending legislative matters.

Five new members were elected. They are: Guy L. Goldtant, of the Equitable of New York; A. D. Cockrell, E. J. Cooper, P. G. Phelps and J. T. McKinsy, all with the Missouri State Life.

Oregon.

A large attendance was recorded at the last regular meeting of the Oregon association, which was held at Portland on March 2. There were more than sixty underwriters present.

The principal address was delivered by R. D. Carpenter, advertising manager of the Meier & Funk Company, who spoke on "The Fundamentals of Salesmanship." Mr. Carpenter's remarks were out of the ordinary and were enjoyed by the association members. John Pauer, of the Prudential, spoke on "Loyalty." He was followed by Horace Meeklem, of the New England Mutual, who referred to some interesting "First interviews." W. S. Baker, of the Northwestern; E. N. Strong, of the Oregon Life, and George D. Full, of the Western States Life, also responded to the call of Edgar W. Smith, president of the association, who officiated as toastmaster.



Crowned With Success
1914 Achievements

Gains made during year

Surplus.....	\$ 834,026.52
Income	1,383,535.54
Admitted Assets...	5,069,774.67
Insurance in Force...	25,284,868.00

The actual death losses incurred on \$400,637,613.00 of insurance was only 55.2% of the Expected Mortality according to the American Experience Table.

Gross Interest earned on mean ledger assets of \$97,995,842.29 was 6.38%

or 1 and 1/4 times the amount required to maintain the reserve on existing policies.

Dividends apportioned and payable to policyholders during 1915, \$3,656,585.74

Equal to 27% of the total premiums received on both participating and non-participating business.

The War Proof character of the Company's investments conclusively proven. Not a dollar of fluctuation or shrinkage in over seventy-six millions of mortgage loans. Demonstrating that the best security on earth is the earth itself. An average value of over \$3.75 of carefully selected farm lands secures each \$1.00 invested.

Benefits to Policyholders

Death losses and maturing endowments...	\$6,064,767.55
Dividends and other payments.....	5,243,433.64
Increase in reserve and special funds....	4,587,852.10
Total Benefits.....	\$15,896,053.29

The benefits to policyholders equal \$1.25 for each \$1.00 of premium paid.

For complete financial statement and booklet entitled "The Choice of Company," address

ALLAN WATERS, Sup't of Agents.
The Union Central Life Insurance Company
OF CINCINNATI
JESSE R. CLARK, President

THE UNION CENTRAL LIFE
INSURANCE COMPANY,
Cincinnati, Ohio.

Kindly forward copy of Annual Report and booklet entitled "The Choice of Company" to

Name

Street

City

State

J. W. Stewart, of the West Coast Life, and Mr. Full were elected to active membership. M. L. Arthur, of the Pacific Mutual Life, was elected an associate member and honorary membership was conferred upon Harvey Wells, State Insurance Commissioner.

Pittsburgh.

Extensive preparations are being made for the annual dinner of the Pittsburgh association, which will be held at Hotel Schenley on April 26. The dinner committee is arranging an elaborate program which, it is believed, will attract a record-breaking attendance.

Up to date more than 230 plates have been reserved. Two addresses are scheduled, one on "Conservation of the Home," by Raymond Robbins, of Chicago, and the other on "Conservation of the Individual," the speaker for which has not been selected. A special reception has been planned for the speakers and officers of various life insurance companies. This affair will precede the banquet.

Rhode Island.

The Education and Conservation movement was discussed at length at the regular monthly meeting of the Rhode Island association held at Providence on March 8. And it is expected that the association will begin an active publicity campaign very soon. An announcement was made that the Executive Committee had thrown open its regular fortnightly meeting to the entire membership of the association.

Arthur B. Moody, of the Penn Mutual; Maus L. Wheelwright and George F. Crum, both of the Equitable, have been elected to membership.

St. Louis.

The Education and Conservation movement will hit a high-water mark in St. Louis when the present campaign gets well under way. On March 29 there appeared a half page of insurance matter in the various morning papers and it is further planned to run quarter page bulletins in the local papers twice every week. Other methods of advertising will also be used. The proposed fund of \$6,500 has been raised.

More than 400 underwriters and guests were present at the regular meeting of the local association on March 17 to welcome United States Senator Lawrence Y. Sherman, of Illinois, and Postmaster Jack Shuff, of Cincinnati, who were the principal speakers. Senator Sherman spoke on the taxation of life insurance, heartily supporting Federal supervision of the business.

Col. Shuff made one of his usual good-humored speeches. The membership of the St. Louis association has increased more than 50 per cent. since the campaign was inaugurated.

The "On-to-Frisco" Club, which is out to capture the 1915 National Convention for St. Louis, is meeting with great success. In order to remind members of the National Association of St. Louis' ambitions, President W. E. Bilheimer and his "boosters" are planning to mail to every delegate who attended last year's convention, a "Missouri Meerschaum" pipe and a package of "made in St. Louis" tobacco.

San Francisco.

Thirty-one San Francisco underwriters journeyed to Oakland on April 1 to conduct the regular monthly meeting of the association. Short speeches were made by Warren R. Porter, S. Wiley, William G. Taffinder, Willard Doon and Garner Curran.

It was unanimously voted to participate in the big civic exposition celebration on April 17 and 18 in which insurance has been recognized in a manner befitting the leading part which it played in the rehabilitation of San Francisco after the great disaster. L. B. Messler, R. L. Stephenson and E. W. Armstrong were appointed as a committee to arrange for participation in the festivities.

A deputation of underwriters journeyed to Sacramento on April 7 to extend an invitation to that association to join in the celebration. The president of the Sacramento association assured the visitors that they would come to San Francisco sixty strong.

South Carolina.

Owing to a severe attack of grippe Hugh M. Willet, president of the National Association, was unable to attend the annual banquet of the South Carolina association, held at the Jefferson Hotel, Columbia, on March 26, at which he was to have been the principal speaker. Mr. Willet's regrets were received.

F. H. Hyatt, of Columbia, president of the local association, officiated as toastmaster. F. H. McMaster, State Insurance Commissioner, was introduced as the first speaker. He spoke upon legislative conditions and lauded the results accomplished by the local underwriters.

T. Moultrie Mordecai, a prominent attorney from Charleston, spoke from a policyholder's viewpoint. Mr. Mordecai, it is understood, carries more life insurance than any other man in the State, having been insured when 16 years of age. He praised the agency as the greatest teacher of thrift and economy.

Purely Mutual

The

Chartered 1857

Northwestern Mutual Life Insurance Co.

MILWAUKEE, WISCONSIN

GEO. C. MARKHAM, President

INSURANCE IN FORCE, \$1,365,299,749

SATISFIED POLICYHOLDERS to the number of 11,613 (out of 43,541 applicants) applied for \$54,587,290 of additional insurance in The Northwestern during 1914.

NORTHWESTERN POLICIES are easiest to sell and stay longest in force.

Mortality 55.87%. Interest 4.97%. Expense 10.53%.

AGENTS PROTECTED by enforced No-Brokerage and Anti-Rebate Rules.

INCOME INSURANCE
CORPORATION INSURANCE
PARTNERSHIP INSURANCE

It Will Pay You to Investigate Before Selecting Your Company

Write to **H. F. NORRIS**, Superintendent of Agencies
MILWAUKEE, WISCONSIN

LARGE "DIVIDENDS"
LOW COST
SERVICE POLICY

The next speaker was George McCutchen, who holds the chair of life insurance in the University of South Carolina. He informed the underwriters that the University now gives one term of instruction in the actuarial side of the work. This had been added to the curricula recently.

The last speaker was J. F. Richardson, Jr., who was introduced as the youngest agent present.

The meeting was one of the most successful ever held by the association. The committee was composed of Carroll H. Jones, of Columbia; W. J. Rodney, of Rock Hill; Ellison Capers, of Summerton; William M. Carter and W. S. Hendley, both of Columbia.

South Texas.

A large attendance was recorded at the regular meeting of the South Texas association held in Houston on March 8. In addition to the officers the following were appointed to the Executive Committee: Rawlins M. Colquitt, R. A. Henderson, Jacob Frankel, L. A. Freed and J. H. Wilson. C. W. Nelson, president of the association, appointed the following committees: Membership, R. A. Henderson, Max Westheimer, J. A. Hughes and Homer Gaddy; Entertainment, J. F. Wellington, L. A. Freed and J. A. Harvey.

Springfield, Mo.

Much interest has been shown in association work by the under-

writers at Springfield, Mo. The annual meeting was held on March 6, and the following officers were elected; M. A. Nelson, president; Melville E. Dark, vice-president; Frank P. McAtee, secretary, and Jake Marx, treasurer.

Syracuse.

The proposed amendments to the State insurance laws paved the way for a lively discussion at the last meeting of the Syracuse association, held at the City Club, on March 20. There were about 40 underwriters in attendance and seven candidates were elected to membership. The association has engaged special counsel and has three other representatives at Albany to fight these measures.

Among the principal speakers were James H. Washburn, of the Farmers and Traders Life, and Edgar C. Fowler, of the State Mutual. The meeting closed with the adoption of the following resolution:

"Whereas, there has been introduced into the Legislature of this State amendments to Sections 83 and 97 of the insurance laws, therefore we, the Life Underwriters' Association of the City of Syracuse, N. Y., desire to put upon record our earnest opposition to the proposed amendments on the grounds, first, that they are designed to apply to a very small number of life insurance companies and not to the great majority of them, and hence are

The Equitable Makes Experts of Its Agents

Nowadays the successful life insurance salesman must be a thoroughly trained expert, and the success and prosperity of the agents representing

The Equitable Life Assurance Society of the United States

has been largely due to the fact that the company recognizes the importance of educating its field workers.

The salesmen connected with every Equitable agency are carefully trained and assisted. Among other things,

A Correspondence Course in Life Insurance

is conducted by one of the senior executive officers, for their thorough instruction.

This course consists of 3 preliminary lessons (which may be taken by outsiders) and 27 Regular Lessons (exclusively for representatives of the Society).

One unique feature is that after the student has answered the questions asked in connection with each lesson, the officer in charge of the course sends him *official answers* to the same questions. This enables the student to check himself off by comparing the answers made by him with the official answers subsequently received from the Society.

Satisfied Policyholders

The constant line of applicants for **ADDITIONAL** insurance in the

JOHN HANCOCK

shows that its members have **GOOD JUDGMENT**

TIE UP WITH THE COMPANY MAKING SATISFIED AGENTS



WILLIAM N. COMPTON

General Agent Metropolitan District

**ST. PAUL BLDG. 220 BROADWAY
NEW YORK, N. Y.**

special legislation; second, that they are amending the excellent law passed in 1906 restricting the expenses of life insurance companies, which law has been beneficial to the interests of policyholders and under which conservative companies have found it possible to do business successfully. We believe these amendments to be unnecessary and possibly the entering wedge for further legislation tending to break down the wholesome restrictions as to expense provided after much investigation and long consideration upon the part of the committee of which the present Justice Hughes of the United States Supreme Court was the counsel, and consequently to be detrimental to the interests of policyholders and the public. No amount of special pleading can disguise the fact that the proposed amendments will permit an increase in expenses above that allowed by the present law.

"We therefore earnestly protest against the enactment of the proposed amendments and urge our Senator and Assemblyman, as well as all other members of the State Legislature, to do all in their power to prevent the passage of the bill."

Topeka.

As result of the profound impression created upon the churchgoers of Topeka by a sermon on life insurance delivered by the Rev. Gorden, of the First Baptist Church, recently a movement to enlist the aid of all the local ministers in an educational movement has been instituted.

This movement began to take concrete form at a meeting of the Topeka association held March 8, in the Y. M. C. A. Building, at which local ministers were the principal guests. The clergymen seemed greatly interested in the subject and, without question, they will follow the Rev. Gorden by selecting an "Insurance Sunday" for Topeka.

Charles Moore, president of the association, presided at the banquet. Speeches were made by J. L. Duncan, S. E. Cobb, Henry H. Hall, H. O. Garvey, the Rev. S. S. Cook, the Rev. F. M. Balch and Father John Murphy.

President Moore's speech on "The Man With a Vision" brought about the resolution that the ministers apply this text in the near future. It is to be found in the forty-first chapter of Genesis and is, figuratively speaking, an account of the first life insurance company.

West Virginia.

More than seventy underwriters attended the regular meeting and banquet of the West Virginia association held in Wheeling on March 20.

The principal speech was made by the Hon. J. P. Arbenz, who reviewed "Life Insurance from a Layman's Standpoint." Mr. Arbenz is one of the State's leading attorneys and he emphasized the fact that life insurance needs more comprehensive education along this line. In this, he argued, the agents must play the principal part.

Dr. John L. Dickey was the next speaker. He selected for his discourse, "After Thirty Years." Dr. Dickey has been an examiner for that period of time and reiterated some unusually interesting reminiscences of his experiences. The success of the affair was mainly due to the work of the Arrangement Com-

mittee, which was composed of George C. Crook and George Schllessenger.

Youngstown.

At the annual meeting of the Youngstown association which was held recently the following officers were elected: E. V. Clyd, president; C. W. Hench, vice-president; W. B. Rudolph, secretary; Sam Hankins, treasurer, and Roy Hartzell, Myron Eckert, F. B. Carney, James Quinn and Lee Burt, Executive Committee.

JUST A FEW COPIES LEFT.

PROCEEDINGS OF THE CINCINNATI CONVENTION.

PRICE \$1.50.

THE EQUITABLE LIFE OF IOWA

Operates in 15 of the most healthful and prosperous States in the Union, as shown by the map.

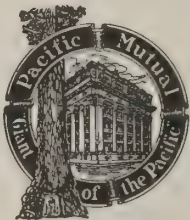


Mortality savings of over 50 per cent. for the past 10 years has brought about the lowest net cost.

Address

J. C. CUMMINS, President

Home Office: Des Moines, Iowa.



Organized 1868

Assets
\$32,604,612
Surplus
and
Capital
\$3,989,846

The School for Salesmen

of the

Pacific Mutual Life Insurance Company

offers, free of cost, instruction and direction to prospective and new agents and gives them the right start in an attractive and remunerative business with an experienced and successful company.

For full information write the company at Los Angeles, California.

Good connections can always be made with our General Agents throughout the country.

New associations recently organized which will affiliate with the National Association.

Augusta.

Owing to the illness of Hugh M. Willet, president of the National Association, who was to have conducted the organization of the Augusta association, W. E. Hawkins, of Atlanta, and T. S. Lowry, of Macon, rendered this service to the local life underwriters. It was unanimously voted to apply for membership to the National Association.

Henry M. North was elected president of the new body at a meeting which was held in the Albion Hotel on March 27. The other officers elected were: A. F. Glander, vice-president; C. M. Harris, second vice-president, and Pierre Heard, secretary-treasurer.

Those present in addition to the officers and visitors were: R. E. Carroll, W. W. Williams, J. M. Lee, A. L. Cunningham, E. S. Harter, A. H. DeVaughn, John J. Cohen, Sr., and W.

Brewer. Mr. Cohen and Mr. North delivered short addresses, after which the association voted its thanks for the assistance rendered by the visiting underwriters.

Scranton.

Several prominent life underwriters at Scranton met at Hotel Casey on March 30, and formed a permanent organization of the Scranton Association of Life Underwriters. The new body will be affiliated with the National Association.

Favorable comment arose over a clause in the constitution to the effect that no intoxicating liquors shall be served at any of the association meetings. This rule will govern all social gatherings as well. This is in keeping with the principles of life insurance and will set a good example for the 'prospects.'

The association, which is the first insurance organization to invade Scranton in 14 years, will hold its business meetings monthly. The officers elected are: O. E. Carey, of the Phoenix Mutual, president; George Wahl, of the Penn Mutual, vice-president; H. J. Shubert, of the Prudential, second vice-president; A. B. Clay, of the New England Mutual, secretary, and T. J. McGuire, of the Equitable, treasurer. In addition to the

Metropolitan Life Insurance Company

(Incorporated by the State of New York.)

THE COMPANY OF the People BY the People FOR the People

PROOF OF PUBLIC CONFIDENCE.

This Company, although it operates only in the United States and Canada, has more insurance in force than any other life insurance company in the world.

The number of policies in force is greater than that of any other company in America, greater than all the regular life insurance companies put together (less one), and can only be appreciated by comparison. It is a number considerably in excess of the combined population of Greater New York, Chicago, Philadelphia, Boston, St. Louis, Cleveland, Baltimore, Cincinnati, Pittsburgh, San Francisco and Kansas City.

SIGNIFICANT FACTS.

This Company's Policy claims paid in 1914 average one claim for every 46 seconds of each business day of eight hours and in amount \$232.07 a minute.

The Daily Average of the Company's Business During 1914

626	per day in number of Claims Paid.	\$305,754.00	per day in Payments to Policyholders and addition to Reserve.
8,040	per day in number of Policies issued and revived.	\$161,826.87	per day in increase of Assets.
\$1,708,728.00	per day in New Insurance issued, revived and increased.	Insurance in Force	\$2,991,114,069.00

Full particulars regarding the plans of the Metropolitan may be obtained of its Agents in all the principal cities in the United States and Canada, or at its

Home Office: 1 MADISON AVE., NEW YORK

Would You Be Interested?
If a man came to your desk and showed you a pen or pencil that would add or subtract as it writes?



Of course you would; anybody would!

We have no such pen or pencil, but we have something better. We have a typewriter which does all this, and you know that the typewriter is three times as fast as any pen or pencil. This typewriter is the

Remington

Adding and Subtracting
Typewriter

(Wahl Adding Mechanism)

This machine adds or subtracts and writes; not only that but it adds or subtracts when it writes. Both operations are one.

You need this machine in your study; every man needs it who has bills to do, or any writing and adding to do on the same page. It saves time, saves labor, detects errors, prevents errors, gives you a mechanical insurance of absolute accuracy.

We stand ready to give this machine a test on your study; a test which will convince you that you need it.

Remington Typewriter Company

(Incorporated)
New York and Everywhere

THE LYONS PRINTING COMPANY

MONOTYPERS
LINOTYPERS
BINDERS

High-Grade Book and
Catalogue Printing

EXPERTS IN
INTRICATE
COMPOSITION

NEW YORK OFFICE
105 WEST 40TH STREET

TELEPHONE 983 BRYANT

A MODERN PLANT
LOCATED AT LYONS, NEW YORK

officers Walter Buck, of the Connecticut Mutual, and J. James, of the Metropolitan comprise the Executive Committee.

With the names already mentioned the following are entered as charter members: S. G. Parke, Home Life; E. W. Osborne, Fidelity Mutual; W. W. Miller, Connecticut General; J. D. James, Northwestern; John Hughes Blackman, Mutual Life, New York; E. C. Drake, John Hancock; E. S. Shindel, Union Central; Theodore Bird, New York Life; R. H. Keffer, Aetna; J. W. Duseberry, Travelers; Otto Conrad, Germania, and S. D. Parker, Prudential.

Virginia Valley.

Former National President Neil D. Sills, of the Richmond association, journeyed over to Staunton, Va., on April 10 and assisted in the organization of the Virginia Valley association. The new association adopted the model constitution and by-laws recommended by the National Association and voted to affiliate with the latter body on June 1.

The underwriters displayed much enthusiasm over all association matters and elected the following officers for the ensuing year: Curtis P. Bowman, president; W. J. Perry, first vice-president; John P. Burke, second vice-president, and Jacob Havener, secretary-treasurer.

**AGENTS WHO REPRESENT
THE
PENN MUTUAL
LIFE INSURANCE COMPANY
OF PHILADELPHIA**

**HAVE AN INSURANCE CONTRACT
TO PRESENT WHICH IN THE SUM
OF ALL ITS BENEFITS IS UNSURPASSED
IT IS BEST NOT JUST ONE WAY
BUT BEST ALL WAYS
AND ALWAYS
BACK OF IT IS A SIXTY-SEVEN YEAR
REPUTATION FOR FAIR DEALING
WITH ALL ITS POLICYHOLDERS WHETHER
CONTINUING, WITHDRAWING, MATURING
OR DYING**

1865 FIFTY YEARS OLD 1915

The Provident Life and Trust Company of Philadelphia

What is the Best Form of Policy?

Write for Leaflet

1865 LOWEST MORTALITY 1915

J. THOMAS MOORE,

Manager Insurance Department

Fourth and Chestnut Sts., Philadelphia

GOOD PLACES For STRONG WORKERS

Always ready to negotiate with energetic men capable of producing paid-for Insurance in satisfactory volume.
Much unoccupied and desirable territory.

UNION MUTUAL LIFE INSURANCE CO.

PORTLAND, MAINE

ARTHUR L. BATES, President

Address

ALBERT E. AWDE, Superintendent of Agencies,
7 W. Madison St., Chicago, Ill.

1850

1915

The United States Life Insurance Company

In the City of New York Issues Guaranteed Contracts

JOHN P. MUNN, M.D.,
President

Finance Committee

CLARENCE H. KELSEY
Pres. Title Guarantee
and Trust Co.

WILLIAM H. PORTER
Pres. Chem. Nat. Bank

EDWARD TOWNSEND
Pres. Importers and
Traders' Nat. Bank

Good men, whether experienced in life insurance or not, may make direct contracts with this Company, for a limited territory if desired, and secure for themselves, in addition to first year's commission, a renewal interest insuring an income for the future. Address the Company at its Home Office, No. 277 Broadway, New York City.

Agency Organizer

If you are ambitious to enter organization work and can show a clean record as a successful producer, write us giving your life insurance experience.

The Franklin Life Insurance Co.
Springfield, Ill.

SECURITY MUTUAL LIFE INSURANCE COMPANY

Binghamton, N. Y.

Offers to men able to produce business first-class territory, with direct contract providing liberal compensation.

For particulars address

C. H. JACKSON, Supt. of Agencies

Life Association News

OFFICIAL ORGAN OF THE NATIONAL ASSOCIATION OF LIFE UNDERWRITERS

Entered as second class matter, Feb. 4, 1907, at the Post Office at New York, N. Y., under the Act of Congress of March 3, 1879.

Vol. 9.

NEW YORK, MAY, 1915.

No. 9

CONSERVATION OF THE AMERICAN HOME.

THE SOCIAL BENEFIT AND RESPONSIBILITY OF LIFE INSURANCE MAKES IT THE GREATEST FACTOR IN THIS WORLD-WIDE MOVEMENT.

It is the Height of Every Man's Ambition to Own His Own Domicile and to Give to His Family the Best There is in Life, Yet Few Realize That Hope.

"Tell Me the Old Story," sing the members of many churches. Yet in it they always find something new. J. J. Jackson, Cleveland manager for the Aetna Life, who contributed the following series of articles to the Garrettsville (Ohio) "Journal," tells an old story; nevertheless you will find it fresh, crisp and inspiring. The series will be continued in our next number.—Editor's Note.

There is a world-wide movement on foot to educate the people in the conservation of the American home through the subject of life insurance.

It is my purpose to give the readers of this paper a few articles on life insurance, the reasons why some do and others do not buy it, and if possible to make the subject of life insurance better understood by the average man. These articles will have reference to no particular life insurance company, nor are they intended for personal gain, but simply to remove the prejudice and superstition that lurks in the minds of so many. When they are finished, if anyone should have a question, I will gladly answer same through this paper or by private letter, to suit the pleasure of the questioner.

A Matter of Service.

Life insurance in its essence is not a money making enterprise, but a matter of service, a matter of distributing loss by combining large numbers of people. It promotes thrift and reduces poverty and the consequent burden of dependents upon the State. It is used either to indemnify loss or for savings for old age for both purposes in combination. It, therefore, partakes of the nature of a fraternal insurance association and a savings bank.

Let us in the first article review the magnitude of the great institution of life insurance which has been built up—a proper education on the subject, but the education as extended only so far as the agent's time and personal interview has been able to reach.

Last year, according to official reports, there were 232 legal reserve life insurance companies doing business in this country with admitted assets of \$4,572,000,000 with 34,878,969 policies in force, aggregating \$19,745,000 distributed over 25,000,000 lives. The annual income of these companies was \$843,256,000, and they paid out during the year \$645,056,000, besides increasing the reserve and surplus to the credit of policyholders, \$408,016,000, the combined disbursements and increase of assets and surplus aggregating \$1,053,072,000.

When one stops to consider the real meaning of all this to the social and economic life of this country, can he be impressed with anything but the most profound respect for the great institution of life insurance, and can any man fail to appreciate the dignity of the profession?

Notwithstanding the immensity of the insurance now in force, it is less than 7 per cent. of the estimated commercial value of our American lives, which is computed at \$350,000,000,000. Consequently the life values of this country are today more inadequately protected than any other form of commercial value subject to destruction.

Life insurance is a form of business which involves great social benefit and great responsibility. No better confirmation of the truth of this statement can be found than in the official attitude of two of the foremost civilized nations of the world toward life insurance. Both Germany and Great Britain by making certain forms of life insurance compulsory, have recognized the power of life insurance to promote social welfare and national stability.

Every Man's Ambition.

The United States is heralded the world over for its homes.

The height of every married man's ambition is to own and maintain a home; to give his family all the comforts of life; to keep them in the front rank of society; to give his children a better education than he enjoyed, and last, but not least, to accumulate a sufficient amount to maintain him and his in their old age. In a word, our highest ambition is to maintain our family and accumulate enough to take care of us in our declining years. We all agree on this point. The difference of opinion comes in the way to accomplish this result.

In writing these articles I am assuming three things: First, that if there were no loss by fire, there would be no need for fire insurance; second, if men did not die, there would be no necessity for life insurance; third, that the large majority of home owners begin life with no other asset than good health and high ideals to accomplish that which they undertake.

Just a word about fire insurance by way of illustration: Records compiled by the leading fire insurance companies prove that for 50 years only one building has burned each year out of 1,260 that have been insured. The rest are standing or have been torn down. Thus the low rate you are able to secure: 75 cents to \$1 for three years' for each \$100 protection. The time was, and within my memory, when one-third of the buildings throughout the country were not insured, but I will venture the assertion that less than 2 per cent. of the buildings in this community are uninsured. Why the change?

Education, public opinion, force of habit. If your insurance expires, you do not wait for an agent, but you immediately take steps to have it covered because you are well aware that you would get no sympathy, but, on the contrary, be condemned by every business man in your community should you meet with a loss and were not covered. In case of a fire without protection, you suffer the loss. The burden falls on you.

Let us apply the above figures to men instead of buildings. If we start with 1,260 men at age of 35, an average age, and add 50 years to their lives, 960 of them are dead. In other words, there is over 900 times more risk on your life than there is on your building, and then it would not be so bad if you were only carrying the risk, but you are not. I often hear men say, "I will carry my own risk," but they do not—your wife and children are taking the risk, because they are the ones who will have to suffer the loss if you die.

Guilty of Neglect.

If a man deserts his wife and family in this State he will be arrested and put in jail for neglect and non-support. I often say that a man who knows the great law of average death rate and makes no provision for his family, is just as guilty of neglect as the man who deliberately deserts them, and I am not sure but he should be dug up and put in jail for punishment. But it is perhaps unnecessary as the place he will probably go will be worse than any earthly jail or punishment. I have no sympathy for that kind of religion which preaches a man to heaven and leaves his wife to break her back over the washtub or compels her to give her family away.

No. II.

Kinds of insurance.—Fraternal or assessment and legal reserve or old line, as it is commonly called.

I think nearly everyone is familiar with the first, as this feature is carried on with a great many lodges.

Some assessment companies have been organized with no social feature connected.

To illustrate.—The Bankers' Life of Des Moines, Iowa, which has lately reorganized into a legal reserve company. Such orders and societies have performed a great deal of good, alleviated a great amount of suffering. Yet they have left a great many too often without insurance by their failure at a time when they seemingly most needed it, not from any mismanagement on the part of the officers, but from the uncontrollable law of increase in age.

The End of Assessments.

Fortunately for the rising generation, no new assessment orders can be formed in this State since our last legislature convened, unless they charge an adequate rate in the beginning to take care of the increase in death rate, and the same law provides for companies that were doing business in the State that they should be given until April, 1915, to readjust their rates and comply, thus preventing any necessity of closing or failing.

This law will fall very heavily upon some of the older orders.

It is the operation of assessment insurance by their increasing rates, their failures and disappointments that have caused so many people to condemn insurance, judging all insurance companies by the cases that have come within their observation.

Nearly every question has two sides—a serious and a funny side. In my work I have met hundreds who were complaining about the constant increase in the assessment or dues, a great many to almost a prohibitive degree, when their earning power has gone. It's the selfishness in all of us that furnishes the ludicrous side of this question.

Think with me for one moment. Suppose 500 of us should organize a fraternal insurance society, which we could have done by obtaining a license from the commissioner of insurance, and pay in a fee of \$10 for a charter, prior to the law that was just passed. Now we agree to pay \$1 on the

death of each member. That would look fair and equitable on the face of it. But after we go home and think the thing over, what does each member wish right at the start, even before there has been a death? That he would live to pay every other fellows' widow before the rest had to pay his. Thus you see, if we do join and do get our wish, there will be no one left to pay our widow; in that event we should be happy if we lose.

But I hear some ask why will not members continue to join so there will always be someone to pay? Take our 500 members, starting to-day, ranging in ages from 25 to 55 years, with an average age of 40 years. At the end of the year they will all be one year older, or an average of 41 years. Now to keep the average at 40 years we should have to take in 500 new members at an average age of 39 years. Thus at the end of two years we would have 1,000 members. The third year we would have to take in 1,000 members at age of 39 to keep the rate where we started, and at the end of the third year we would have 2,000 members, less our death rate.

From this it will be readily seen that the increase is in geometrical progression, and at the end of 10 years your society would have 26,000 members less those who have died. Or, in other words, if enough new members were not added each year to keep the death rate at the average where we started, it would require an increase in the amount we have to pay, increasing the assessment.

This is the reason no order starting with an inadequate rate can hope to continue.

But before leaving this kind of insurance, I wish to add, some form of weekly payments or monthly of insurance is almost necessary for quite a number of people, for the reason it makes no difference what they earn, they would not save but \$1 per week or month, and this we might make a slight provision if they did.

Based Upon Facts.

Legal reserve insurance is based upon facts. Absolute facts, no guesswork.

The rates charged are compiled by an expert statistician called an actuary. He obtained either from the American or combined experience table of mortality the number at the age of 10 years who will die out of 100,000 that year and out of the number that are left, how many will die aged 11 years, and so on until the entire number have died. To illustrate: At age of 35 years 81,822 will be living. During that year 732 will die, leaving at age of 36, 81,096. Say, at 50 there will be 69,804 living and that year 962 will die, and so on until at age of 95 years only three are living, and they will die that year.

From the above figures it will be seen that .9 per cent. of the number alive at age of 35 years will die during the year, or nine out of each 1,000.

Once more, if we start with age 35, with 81,822 living out of the 100,000 with which we started at age of 10, add 20 years we have 64,563 men living, and note that 17,259 have died during the 20-year period, or 21 per cent. Now in legal reserve insurance what each pays is the basis of what he or his estate will draw. The taking in of new members or lapsing by death or otherwise does not effect your contract but slightly, if at all.

To arrange the tables under which the insurance is written is the work of the actuary. I have illustrated how they ascertain the number that will die each year. This is known as the mortuary rate. Let us consider the different forms of insurance, then we can show how the tables are prepared for each. Old line insurance is written in two forms, viz.: Life and endowment insurance. The first rate is prepared to carry a man as long as he lives and he pay each year. This is known as ordinary life, or straight life, but for the convenience of some who wish to pay during the productive part of their lives the rates are arranged to be paid, first, in one lump sum known as a single premium contract, or 10 payment or 15 payment or 20 payment, called 10, 15 and 20 payment life contracts.

(Concluded on page 10.)

EDUCATION AND CONSERVATION MAKING REMARKABLE PROGRESS.

About Forty Local Associations Have Raised Sufficient Funds to Promote Institutional Advertising Campaigns in Local Papers.

Several Prominent Insurance Officials Have Expressed Their Hearty Approval of the Literature Contained in Bulletins Published by National Bureau.

A review of the local associations which have entered with enthusiasm into the Education and Conservation propaganda as outlined by the Education and Conservation Bureau of the National Association, is convincing evidence that the movement as it stands is a pronounced success, and that it is gaining ground daily. Perhaps it is not generally known that practically one-third of the local associations have succeeded in raising funds for local campaigns, which action of course carries with it a contribution of 25 per cent. of the total fund to the National Bureau. Nine additional associations have pledged subscriptions to the National Bureau, but owing to local conditions, have not as yet sent in remittances. Other than this, there are perhaps a dozen other associations which are now discussing the advisability of starting a Campaign of Institutional Advertising.

The associations which have succeeded in raising local funds are the following:—Akron, Albany, Baltimore, Birmingham, Boston, Chattanooga, Cleveland, Chicago, Connecticut, Delaware, Detroit, Des Moines, Fort Dodge, Grand Rapids, Harrisburg, Indianapolis, Knoxville, Lansing, Lima, Memphis, Minneapolis, Mobile, Oklahoma, Portland, Me., Pittsburgh, Roanoke, Rochester, St. Louis, San Francisco, Syracuse, St. Paul, Utah, Wheeling and Youngstown.

The associations which have agreed to contribute to the support of the movement, but which have not as yet been able to raise the totals originally intended, are: Cincinnati, Dayton, Columbus, Evansville, Los Angeles, New York, Philadelphia, Portland, Ore., and Seattle.

The St. Louis Spirit.

The St. Louis association which has recently given evidence of an association spirit seldom observed in any local body, recently completed an Education and Conservation fund of \$6,500. The Advertising Campaign begun on March 29, in two St. Louis morning papers, the *St. Louis Republic* and the *St. Louis Globe-Democrat*. Two advertisements each week are published in each paper; on Mondays and on Thursdays in the *Republic*, and on Tuesdays and Fridays in the *Globe*.

The St. Louis association has been exceedingly fortunate in getting the back pages of these papers, which is a splendid position and gives the advertisements an enhanced value. In addition to the straight series of the Institutional Advertisements, these St. Louis papers have accepted and published a goodly number of human interest stories in their news columns.

The Pittsburgh association, which is always well to the forefront in any progressive association movement, is securing a great deal of publicity in the Pittsburgh dailies. Much of the matter which appears is taken from the Bulletins issued by the National Bureau; and it should be said that these Bulletins furnish a vast amount of educational matter in simple and non-technical form, intended for the lay reader. The Human Interest note which is always predominant and daily newspapers throughout the country are as a rule glad to publish articles from the Bulletin, especially where a Campaign of Advertising is conducted by the local association.

A little over a year ago in Cleveland, the local association took up the matter of newspaper publicity, and after considerable effort the members have been able to induce the two principle morning papers, the *Cleveland Plain Dealer* and the *Cleveland Leader*, to recognize life insurance to such an extent that they have been having life insurance columns appear from time to time. The Cleveland association has just started its Institutional Advertising Campaign, and has definitely arranged to have a series of advertisements to run for the next six months.

In accordance with the wishes of the members of the Education and Conservation Bureau, the Cleveland underwriters are not using either the names of the agents who have contributed or the companies so represented; the assumption being that the effect will be much greater by leaving out the personal element. The members of this association have come forward with fine spirit in their contributions.

The Capital District association has taken up the work embraced in the Education and Conservation Movement by a series of Institutional Advertisements in one of Albany, N. Y., daily papers. Company names and agents names have been strictly eliminated. Each paper containing an Institutional Advertisement, has a column of news matter relative to the service which life insurance may render in its endless variety of aspects, and we are assured the Albany public is beginning to be interested, and tangible results are sure to follow. Members of this association have been selected to deliver lectures on life insurance to various local institutions. The students of the Albany Business College were recently addressed by E. B. Cantine, S. G. Landon, and Henry H. Kohn. Mr. Kohn has also accepted an invitation to deliver a lecture before the class in Economics at the University of Rochester.

Human Interest Stories.

The Connecticut association, with headquarters at Hartford, has been using the series of Institutional Advertisements prepared by the Bureau, but of late, however, copy in the local papers has been confined to human interest stories which require less space than the display advertisements. Some of the members of this association are inclined to think the latter style of publicity is more effective than the former style. The only thing to distinguish these news articles is the emblem. Since the actual start of the Connecticut Underwriters campaign, eleven additional subscriptions to the fund have been received.

Much interest is manifested by all the other subscribing associations, and the associations at Boston, Cleveland, Detroit, Indianapolis, Minneapolis, Rochester, Syracuse, St. Paul, Utah, and Youngstown, all reported results that are exceedingly gratifying to the local underwriters as well as to the National Bureau.

A Great Help.

A great help to the movement has been the Bulletins issued every other week by Everett M. Ensign, Acting Secretary of the Bureau. While several efforts had been made to raise a fund in the Richmond association, no great interest was shown until after the first Bulletin made its appearance. Since then, however, five Bulletins have been issued, and now there is a strong possibility that the Richmond association will become a supporter of the propaganda.

The Evansville (Ind.) association which was organized but a few months ago, has raised a fund and has started to advertise in the *Evansville Courier* on the second page each Monday morning. One remarkable example of the interest taken in the Campaign of Institutional Advertising is furnished by the Dayton association—a new local body organized a few weeks ago. At the last meeting of this association the question of Education and Conservation was discussed and in less than a half an hour \$400 was pledged.

In local associations where difficulty is experienced in raising funds, the plan adopted by the Des Moines association might work out satisfactorily. In Des Moines, the underwriters realized that it would be somewhat difficult to raise enough money to advertise in all of the daily papers, so they selected one, *The Leader*, and *The Leader's* advertising department agreed to send an advertising solicitor around to the various insurance offices for the purpose of soliciting contributions, with the understanding that they were to be paid in monthly instalments. The newspaper acts as collector for these instalments, and when they are collected, they are turned over to the association.

The situation at the present moment is that practically one-half of the local associations are either engaged in a Campaign of Institutional Advertising, or else making plans for one. The circumstances fully justify the belief that before the end of the year, the country will be blanketed with local campaigns of Institutional Advertising, either through display advertising or by means of articles from the Bulletin, or a combination of both.

Of Vital Importance to Every Reader of This Newspaper

BEGINNING TO-MORROW morning there will be a semi-weekly series of three-minute talks in The Republic upon the subject of Life Insurance and its relation to *you* personally. These talks will deal in a broad way with the advantages of Legal Reserve Life Insurance. They will not be biased by special pleading or made uninteresting by dry statistics, but they will be presented from the standpoint of cold, hard, indisputable facts in which you have a very selfish interest.

Since the interests of both the policyholder and the Life Insurance Companies are, in the final analysis, best conserved through a full understanding of Insurance in all of its phases of asset and protection value, the short twice-a-week talks which will follow must of necessity present *your* side of Life Insurance clearly, fully and concisely.

It will be worth your while to follow these talks regularly because they are not to advertise any life insurance company, they are only to spread a familiarity with how much Life Insurance *adds* to life—to *your* life.

This is the first of a series of Educational Talks on the Value of Life Insurance to the Individual. They are prepared and published by the Life Underwriters' Association of St. Louis.

This emblem identifies members of the Life Underwriters' Association. It is pledged to the highest standards of life insurance practice.



ABOVE is a reproduction of the first of a series of institutional advertisements published by the St. Louis association, which raised \$6,500 for its local campaign. It is given here because the "copy" differs somewhat from the series of eleven institutional advertisements issued by the National Education and Conservation Bureau.

"LIFE INSURANCE"

A TEXT-BOOK

By Dr. S. S. Huebner

Wharton School of Finance and Commerce, University of Pennsylvania

This book is intended for high schools, colleges, in fact all institutions of learning, agency instruction and for the lay reader. It is non-partisan in character, comprehensive in scope, and conspicuous by its intelligent and logical arrangement.

Life Insurance, Its Principles and Policies

- Part I Nature and Uses of Life Insurance.
- Part II Science of Life Insurance.
- Part III Special Forms of Life Insurance.
- Part IV Organization, Management and Supervision of Legal Reserve Companies.
- Part V Important Legal Phases of Life Insurance.

OFF THE PRESS DURING THE FIRST WEEK IN AUGUST, 1915.

Advance subscriptions are being received now at \$2.00 a copy. Fill out the following coupon and mail at once:



This emblem identifies members of the National Association of Life Underwriters who are pledged to the highest standards of life insurance practice.

Everett M. Ensign, Acting Secretary, Education and Conservation Bureau, National Association of Life Underwriters, 56 Pine Street, New York City.

Enclosed please find my check for \$.....in payment
for.....cop.....of the new text book "LIFE
INSURANCE," by Dr. S. S. Huebner. Name.....
Street.....City.....State.....

SECURING AND TRAINING OF AGENTS.

Companies Are Rapidly Awakening to the Necessity of Proper and Efficient Training for Their Field Representatives.

The New Agent Must Watch Actual Sales and Study the Securing of a Prospect's Attention—Good Leaders Are Imitated with Success.

The following address was delivered by Glover S. Hastings, Superintendent of Agencies of the New England Mutual at its recent agency convention. It contains invaluable information concerning up-to-date methods in the securing, training and supervision of agents.—Editor's Note.

There can be no doubt that there is at last an awakening on the part of many companies and agency managers to the proper instruction of their field representatives. Evidence is not lacking that a large new business, together with a proper conservation of the old, is the result of a high and general intelligence among the agents, supplemented by special training in life insurance in general, in company advantages and requirements and salesman-ship methods.

Correspondence schools and text books on various phases of life insurance render invaluable service, yet they provide neither the skill nor the learning which must be possessed by the successful agent. Bulletins and circulars, or the valuable loose-leaf book, may be furnished, but these alone will not suffice. The new agent must watch an actual sale, study the introduction and the securing of the prospect's attention, how the salesman makes his points, how he brings out objections and meets them, how he leads up to the signing of the application, and shows where to sign. What is said is not half the trick; how it is said is the convincing part, which the slowest member of the agency force by watching an experienced agent can learn more quickly than the smartest could work out of books, papers or bulletins. In teaching, precept is inferior to example wherever the latter is possible.

Team Work.

There is no question but that a good leader is imitated by his men, and the agency is benefited by the imitation. Put small producers and new men, if necessary, in charge of an expert agent for team work. Make it an object for the expert by conceding an overhead commission for his co-operation. For such men this method will be the most vivid lesson in salesmanship; they can but model their selling effort on lines demonstrated to be so effective. On the streets of many cities may be seen a trolley car and behind it one or two trailers. Part of the education of an agent is making him independent and able to stand alone. Don't let him be a trailer indefinitely. The efficient, active, progressive agent possesses qualities that also produce a nervous, high-strung, volatile individual, quick to learn, keenly alive to his problems and readily amenable to suggestion. If those suggestions are of the right sort they will generally bring the right results.

It should not be overlooked, however, that in spite of the most careful instructions, the race may be to those who possess "staying qualities" rather than to the well equipped, to the tortoise rather than to the hare. One agent who has all possible advantages may fail to profit by them; another may feel his disadvantages so keenly that he will try to overcome them so resolutely that he cannot but succeed, and in a large way if he has also the energy and persistency that lead to success in every undertaking.

That the difficulty of securing sub-agents without making advances is real, and is all but universal, will be admitted by every general agent who has during the past ten years had much to do in developing an organization. Almost without exception the interest of new agents centers in the income to be received.

If they could retain their position and accustomed income with less effort, they would do so. If the retention and increase of income depend on individual production, the men will respond to the incentive. When income is based in whole or in part on commissions, the stimulus to action is constantly present. Every application secured and policy placed increases income. The income thus continuously beckons the agent to greater accomplishment. The agent with a fixed salary does not feel so continuously the goad of his financial needs—it is less in mind and does not control his attitude toward his work. The agent on a fixed guarantee, therefore, will not produce so much.

The Proper Tutelage.

Many methods of part commission and part salary are in vogue, and when made for periods of not less than one year and the general agent properly tutors the salesmen in theory and practice, they generally prove satisfactory, because in our business that condition is capable of greatest enjoyment where necessity urges, but not painfully, where effort is required, but without undue anxiety. Some of the best men in the business have been developed and held under this system; but remember it is not the amount of money advanced to the agent, but rather the kind of a man employed to fill the position and the kind of supervision given him that is important.

The ideal condition is to be able to devote time and money to the development of agents. Both may be well invested and in the years to come will yield a small but reasonable profit, but in the absence of ready capital consolation may be had with this fact: that of time and money for organization purposes, the greater of these is time.

The general agent, to secure continuous and effective exertion, must frequently stimulate interest by new thoughts, new ideas, and new conceptions of life insurance, and how to sell it. This can also be accomplished by means of contests, and to a degree that will make the effort worth while and profitable to himself. In football, baseball, tennis, bowling and other exciting and stimulating games, rivalry between individuals is a prominent feature. In golf, the game is frequently played without this factor, the only competition being with previous records or with the mythical bogey. Such competition adds zest to the game, and the same principle is applicable to the life insurance business.

A Wide Difference.

Organizations differ widely and in many agencies the bogey idea is the only practical one. In other agencies the principle of handicaps is so manifestly fair that it should not be neglected. Recently a prominent company furnished every general agent with a statement showing the best month's record as to paid-for new business of every agent in his organization, with the request that every man be enlisted in an endeavor to excel his previous record. The plan was effective. The agents became alert and confident. The result was the largest business of any month in the company's history of more than seventy years.

Even the most industrious and ambitious agents will be stimulated by competition, while with a group of the less industrious such a stimulation is often wonder-working in its effects. Undeniably the contest idea wields an important influence in building up a vast business in a relatively brief time. A trotting horse is unable to attain his greatest speed apart from a pace maker. He needs such stimulus to get under way quickly, to attain his fastest gait, and to keep it up. In this particular an athlete in sprinting is like a horse—he is unable by sheer force of will to run a hundred yards in ten seconds. To achieve it he needs a competitor who will push him to his utmost effort.

Men are great because of pressure from within or without. Some have a fifty horse-power motor inside that is going every minute. To such the contest idea is valueless. The average man, however, needs pressure from outside sources. To such the dynamic power of frequent contests is of unquestioned value. With many agents monthly record cards act as an automatic pace maker. This is so well understood by both companies and general agents that the practice is now quite general. Along this line another valuable method might well be adopted, viz., a report chart to be utilized by the general agent once a month, or oftener, to show his agents their record of efficiency, or lack of it. By the efficient it will be exhibited as an aid in securing

business, because men like to do business with successful men. To the less efficient its proper use can be made an object lesson that will spur to greater effort.

But few bonus systems have proven thoroughly satisfactory. In many instances it was found that agents could be happy only when winning prizes. This philosophy of life is radically wrong, and an agency composed of such men is foredoomed to ruin.

Due to abuses some years ago by a few companies, many States now prohibit by law the granting of bonuses or prizes based on production.

A division of profits is the method employed by Edward A. Woods, head of the Equitable Agency in Pittsburgh. Many in commercial and manufacturing lines have tried this plan and now claim it a solution to the difficulty. It is a field worthy of study.

Weekly meetings at city agencies are much in vogue to-day. Such meetings are an effective force in creating and maintaining efficiency, and if properly conducted solve many agency problems, not the least of which is developing the fit and eliminating the unfit at minimum cost. At such meetings there should be given carefully worked out logical arrangements of selling points, and occasionally a typical selling talk, these being used as a basis for such training work as is done with new agents. Many of the agents will imitate the methods thus developed, and imitation is one of the great sources in securing maximum efficiency.

A continuous campaign of education should be conducted by means of such meetings, recalling the traditions of the company and the achievements of its founders, because no company can be in a healthy condition if it has ceased to reverence its past, but the old things should be conserved as pillars, not as pinnacles—as aids, not as idol. Emphasize its standing in business and its ideals, and exploit the successful deeds and men of the moment.

An open parliament should follow, and every agent pressed into taking an active part. None are so lacking that they cannot contribute to the store of knowledge—none so wise that they may cease to learn.

Occasionally introduce outside talent. At a Detroit meeting the local agent of the Burroughs Adding Machine Company addressed the agency on selling methods. He is one of three leading salesmen out of six hundred. His concern employs unusually successful sales methods, and has a remarkable field system. The value of that particular meeting was such as to justify the adoption of a similar course at other agencies. All this means increased loyalty and efficiency among the men.

George T. Stallings, manager of the Boston National League Baseball Club, said: "I made the Braves the champions of the world by keeping everlastingly on the job. We never failed to hold daily meetings to talk over the situation, to devise new plays, to correct our faults and to inspire confidence in the men. The secret of success was due to hard work on my part and my insistence on hard work on the part of my players. It is the easy going concerns, the owners of which do not work hard, and consequently the men under them do not work hard, that are the failures."

System is to life insurance field work what the track is to a railroad. Prospect cards and daily reports are the maps of the track. The general agent, the train dispatcher, as well as the chief executive. Without system it is impossible to give strict, careful and undivided attention to the work one has in hand. The keeping of prospect cards and the furnishing of daily reports should be insisted upon from every new full-time agent, every agent with a drawing account, and all others who are not conspicuously successful, because this system has proved to be the greatest known means of creating and maintaining efficiency.

It was through the utilization of these methods of efficiency, plus the routing system, that the greatest agencies in America achieved such wonderful results.

Since the keynote of efficiency is system, constantly emphasize the importance of eliminating haphazard methods. Solicitors should regulate their days by the clock, because there must be a definite plan for the day's work, and it must be carried out. The secret of efficiency lies in applied work. Any system to be effective must be simple in operation, accurate as to records, definite in action, and rapid in execution. It should never be a load for an agent to carry, but it should carry him. All should and strive for more business and more profit. To get them there must be system.

LIFE UNDERWRITERS' SPECIAL.

Those Who Arrange to Take It Will Have Opportunity to Visit Historic Salt Lake City and Beautiful Lake Tahoe.

Indications Point to the Fact That Two Trains May Be Necessary to Carry the Eastern Delegations to the Pacific.

When the San Francisco Convention Special pulls out of Chicago on the morning of August 5 it is quite probable that it will consist of several more cars than were originally planned for. Reports coming into the office of the corresponding secretary seem to indicate that the party will exceed the required number to secure the special. While circumstances do not at the present time justify the belief that it will be necessary to run two special trains, still, all indications point to a heavy movement.

It should be born in mind that the route of the famous "Overland Limited" has been decided on, which is via the Chicago and Northwestern Railway, Union Pacific Railway and Southern Pacific Company, by way of Omaha, Cheyenne and Ogden, making a side trip to Salt Lake City, where a day will be spent in sight seeing. A full day will also be spent at Lake Tahoe.

Elsewhere in this number will be found the list of reservations on the special train. Unless all signs fail, this list within the next month or so, will be practically doubled. And, too, there are always a considerable number of life underwriters who decide to attend conventions at the last moment.

Members of local associations should bear in mind the fact that the rates offered to the San Francisco Convention are the lowest rates which have been granted in a number of years. It is quite probable that many years will elapse before such low rates will be offered again. There is also a decided advantage in traveling to the Pacific Coast on a special train, particularly during the coming summer months, when transportation conditions will be taxed to their utmost capacity.

The equipment of the Convention Special will be the last word in the de luxe railroading. There will be a combination buffet club car, private compartment and drawing-room car, open section Pullman sleepers, dining car and observation car.

Attractions for Tourists.

Salt Lake City is visited annually by hundreds of thousands of tourists, and the attractions of the city offer any number of interesting sight-seeing trips. A point of great interest to visitors is Temple Square, which embraces the great Mormon temple, tabernacle, assembly hall, information bureau and a few smaller buildings. The square occupies ten acres, and is encompassed by a solid stone and cement wall, twelve feet high and three feet thick, with large gates on each of the four sides. Admission to the Temple Square and all buildings except the temple, is free, the temple being only open to members of the church.

Salt Air Beach is one of the most widely known resorts in America. Its many and unique features make it of special interest to travelers, and very few who visit Salt Lake City fail to visit Salt Air. The pavilion is one of the largest in the world, and is built two thousand feet from the lake shore, and rests upon wooden piles above the surface of the water. The principal feature of Salt Air is, of course, the bathing in the Great Salt Lake. Nowhere else in the world are conditions similar to those found here. The water contains approximately twenty-two per cent. of salt, which creates a buoyance dense enough to support the human body. For this reason it is not difficult to float at Salt Air, but, on the contrary, it is easier to float than it is to dive or swim.

Lake Tahoe is one of the most magnificent mountain lakes in the world. Its size, its elevation, its great depth, and the splendid color and purity of its waters, and its setting among the peaks of the Sierra range, all contribute to make it marvelously majestically beautiful. It has a hundred satellites in the forests and canyons round about. It is at once the big lake and the smaller lakes around it that make the Tahoe country.

Tahoe, with its indented shoreline, is a world of charm in itself. But the hills and slopes adjacent hold many surprises in the number and character of the lakes embosomed in forest and canyon; or set in granite cups on wide tablelands. Lake Tahoe is twenty-three miles long by about thirteen miles wide. Its greatest depth is two-thousand feet, and its elevation above the sea 6,240 feet.

The colors of Tahoe's waters are sharply contrasted, a ring of emeralds with a heart of dark blue. It is magnificently set among mountain peaks, has every variety of shore line, and is fed by many streams.

After 1916 Convention.

The St. Louis association has announced its intention of making a bid for the 1916 Convention of the National Association, and the following committee was recently appointed to look after the matter: William King, chairman; J. M. Bloodworth, H. V. Burgard, J. L. Haas and C. C. Dyer.

At a recent meeting of the association this committee outlined the plans of its "On to Frisco" club. One day each month, until the month of August, is to be set aside as "On to Frisco" day, when all members of the club will solicit insurance in teams. The proceeds of commissions received that day, up to \$25, will be put into the club fund to defray the members' trip to the convention. All commissions are credited to the individual member, and if someone for unforeseen reasons is unable to go to the convention, his commissions deposited will be returned to him. The first "On to Frisco" day was March 9, and 47 agents met at W. E. Bilheimer's office, and after each man had been provided with a list of ten prospects, they started to work. A loving cup was offered as a prize for the winning team for the first day, and was captured by a team composed of J. L. Haas, captain, C. Z. Lynch, A. G. Wimer and E. A. Grosse. The team secured four applications, amounting to about \$30,000 worth of business.

In addition to the names of delegates and alternates, as reported in previous numbers of LIFE ASSOCIATION NEWS, the following names have since been sent in to the office of the corresponding secretary.

Akron.

Delegates.—F. C. Dibble, Equitable of Iowa; C. C. North, Midland Mutual.

Atlanta.

Delegates.—Hugh M. Willet, Penn Mutual Life; Thos. H. Daniel, Union Central Life; Paul H. Dobbins, National Life of Vermont; F. W. Burr, Equitable Life; R. L. Foreman, Mutual Benefit Life; W. H. Smith, Union Central Life.

Alternates.—R. J. Guinn, New England Mutual; Julian V. Boehm, Union Central Life; H. W. Laird, Southern States Life; Arthur Clark, Union Central; Sam Carson, Mutual; Ben Daniel, Union Central; W. Woods White, Northwestern Mutual.

Central Massachusetts.

Delegates.—Eli Bouchard, Equitable of N. Y.; Dana M. Dustan, Connecticut Mutual; Henry E. Townsend, Massachusetts Mutual; Leon J. Barrett, State Mutual of Northern Massachusetts; Chas. H. Sagar, Northwestern Mutual.

Alternates.—Otis D. Arnold, Mutual Benefit; Wm. C. Cerie, Massachusetts Mutual; Edward A. Robertson, Metropolitan; Wm. Jas. Hogg, N. E. Mutual; Oliver W. Gaines, Provident Life & Trust.

Connecticut.

Delegates.—Maximilian Stein, John Hancock; Lee C. Robens, New England Mutual; J. N. Thompson, Connecticut Mutual; Winslow Russell, Phoenix Mutual; A. J. Edgar, Metropolitan.

Eastern Maine.

Delegates.—Leon G. Higgins, Travelers; Lawrence Rooney, Metropolitan; J. T. Taylor, Penn Mutual; Merton H. French, Mutual Benefit; Chas. R. Dunton, Northwestern Life.

Alternates.—F. L. Ryan, Connecticut Mutual; Harvey W. Bowles, Massachusetts Mutual; Wm. H. Tibbetts, New York Life; W. H. Lord, Mutual Life of N. Y.; John H. Hickey, Mutual Benefit.

Erie County.

Delegates.—W. H. Riley, Equitable Life of N. Y.; C. M.

Gealey, Mutual Life of N. Y.; J. A. Henderson, Mutual Life of N. Y.; C. H. Baumbach, Prudential; J. M. Dickey, Mutual of N. Y.

Alternates.—V. W. Doolittle, New York Life; J. F. Brown, Penn Mutual; C. F. Austin, Mutual Life of N. Y.; R. W. Hughes, Northwestern Mutual; C. J. Mahoney, Connecticut General Life.

Fort Dodge.

Delegates.—E. E. Larson, Bankers Life; J. H. Bream, New England Mutual; Carl A. Peterson, Scandia Life; Wilson T. Scott, Central Life of Iowa; David P. Smith, Central Life of Iowa.

Alternates.—A. J. Martin, Register Life; H. C. Hesser, Register Life; A. E. Wilder, Equitable of N. Y.; S. R. Parker, Metropolitan Life; V. W. Cook, Standard Life.

Grand Rapids.

Delegates.—J. A. Bassford, Mutual Life of N. Y.; H. W. Becker, Metropolitan; Wm. J. Olive, Franklin Life; N. E. Degen, Aetna Life; Ira Blossom, Northwestern Mutual.

Alternates.—Frank Beers, Mutual Life of N. Y.; R. S. Lillibridge, Mutual Life of N. Y.; Silas M. Wright, Equitable of Iowa; A. E. DeNio, Prudential; A. D. Swain, New England Mutual.

Iowa.

Delegates.—Clarence N. Anderson, New England Mutual; E. D. Bream, New England Mutual; J. A. Blum, Equitable of N. Y.; G. M. Buck, Fidelity Mutual; J. C. Clapp, Prudential; M. M. Deming, Kansas City Life; Claude Fisher, Connecticut Mutual; Geo. W. Hughes, Aetna Life; C. L. Lunt, Central Life of Iowa; Chas. E. Miller, Pacific Mutual; Geo. J. Pflanz, Union Central; Walter St. John, Equitable of Iowa; C. H. Willis, Bankers' Life of Des Moines.

Alternates.—L. W. Basham, Penn Mutual; W. D. Bowles, Phoenix Mutual; Tom E. Brown, Prudential; L. E. Dutton, Metropolitan; J. C. Hoff, Kansas City Life; Jno. E. Kreh Jr., John Hancock Mutual; Robt. Orving, Mutual Benefit; E. A. Patterson, National Life of Vermont; Jas. McFarland, Germania; W. E. Smock, Bankers' Life; A. B. Sullens, Prudential; B. N. Waller, Northwestern Mutual; F. C. Stribble, Metropolitan.

Lansing.

Delegates.—J. E. Walker, Michigan Mutual; Mrs. J. E. Walker, Michigan Mutual; G. M. Goodell, Aetna Life; J. H. Hawks, Mutual Life; R. G. Brownson, Canada Life.

Alternates.—Leo F. Long, Lafayette Life; J. P. Leatherman, Continental Casualty; B. S. Stratton, Lincoln National; N. P. Hull, Grange Life; J. A. Pino, Mutual Benefit.

Montgomery.

Delegates.—D. A. Holloway, Mutual Life of N. Y.; E. J. Meyer, Massachusetts Mutual; E. G. Branch, Penn Mutual; B. J. Weil, Travelers; Floyd B. Powell, Phoenix Mutual.

Alternates.—J. L. Harris, Mutual Life of N. Y.; J. B. Ellis, Fidelity Mutual; W. B. Folwar, Franklin Life.

New Hampshire.

Delegates.—James A. Wellman, National of Vermont; J. B. Caldon, Conn. General; D. W. Baker, Conn. General; Arthur W. Childs, Travelers; James F. Whitney, Mutual Benefit.

Alternates.—Edgar L. Martin, Massachusetts Mutual; Carl S. Nute, New England Mutual; Chas. A. Parks, Connecticut Mutual; R. W. Cheney, Mutual Life of N. Y.; F. A. Colton, State Mutual.

North Dakota.

Delegates.—A. F. Colwell, Union Central; F. W. Thomas, Phoenix Mutual; W. A. Burns, Aetna Life; W. P. Sartory, Pacific Mutual; J. P. Graber, U. S. Life & Annuity Co.

Alternates.—J. C. Whitney, Mutual Life of N. D.; A. L. Dern, Pioneer Life; A. W. Crary, N. W. National; J. T. Curry, Fidelity Mutual; M. N. Hatcher, Great West Life.

Pittsburgh.

Delegates.—Edward A. Woods, Equitable Life of N. Y.;

Charles K. Brust, State Mutual; William M. Furey, Berkshire; W. M. Wood, United States Life; Charles W. Scovel, Northwestern Mutual; E. R. Putnam, Phoenix Mutual; J. M. Kistler, Pittsburgh Life & Trust; William M. Duff, Equitable Life of N. Y.; Harper K. Beegle, Equitable Life of N. Y.; F. O. Van Gorder, Equitable Life of N. Y.; A. R. Mackey, Berkshire; William C. McCowan, Pittsburgh Life & Trust; A. S. E. Kinsey, Metropolitan; James C. Biggert, Penn Mutual; W. S. Stimmel, John Hancock Mutual; Chauncey O'Neil, National Life of Vermont; R. Oehmler, Germania Life; T. J. Danner, Jr., Fidelity Mutual; J. L. McFeeley, Mass. Mutual; Charles R. Brown, Aetna Life; A. L. Stein, Sun Life of Canada; William J. Powell, Equitable Life of N. Y.; Frank C. Pierson, Prudential; S. Jarvis Adams, Jr., Union Central.

Alternates—Graham C. Wells, Provident Life & Trust; Robert S. Clarke, Mutual Benefit; J. M. Dalbey, Mutual Life; G. L. Brust, Manhattan Life; George W. Ryan, Provident Life & Trust; Royal S. Goldsburly, Northwestern Mutual; Lee K. St. Clair, Equitable Life of Iowa; C. O. Treat, Conn. General; T. W. Pomeroy, New England Mutual; D. Bates Bell, Travelers; W. B. Salsbury, Columbian National; F. L. Sage, Mutual Benefit; H. T. Sawyer, National Life of U. S. A.; F. W. Hubbard, New York Life; A. M. Klages, Pacific Mutual; W. A. Zahn, Michigan Mutual; R. H. Frantz, Metropolitan; F. R. Conklin, Colonial Life; Glen C. Vance, Northwestern Mutual; B. M. Blose, Equitable Life of Iowa; F. A. Johnston, State Mutual; A. E. Patterson, Equitable Life of N. Y.; J. R. Russell, Prudential; L. D. Hemingway, Connecticut Mutual.

South Texas.

Delegates—J. A. Hughes, Union Central Life; Guy MacLaughlin, Franklin Life; Jacob Frankel, Pacific Mutual.

Rhode Island.

Delegates—William W. Warren, National of Vermont; Seminole M. Power, Metropolitan; Henry C. Sherman, Jr., Mutual Benefit; Clinton C. White, Puritan; Maurice H. Stearns, John Hancock Mutual; Francis A. Crum, Equitable Life.

Alternates—H. Augustus Kendall, Mutual Life of N. Y.; Walter K. R. Holm, Penn Mutual; A. L. Intlehouse, Northwestern; George M. Parks, Massachusetts Mutual; George H. Collett, State Mutual; William P. Gannett, Northwestern.

Syracuse.

Delegates—C. L. Behm, Massachusetts Mutual; G. E. Brainard, Equitable; G. A. Burnap, Prudential; H. B. Husted, State Mutual; K. A. Luther, Aetna; Henry Phillips, Northwestern; P. L. Ryan, Mutual Life.

Alternates—T. L. Britton, Connecticut General; G. R. Churchill, Aetna; E. S. Gaylord, Northwestern; R. H. Herring, Home Life; H. E. Johnson, Mutual Life; W. H. Sullivan, State Mutual; B. C. Wight, Penn Mutual.

Hon. Joseph A. Goulden Dies Suddenly.

Congressman Joseph A. Goulden, representing the Twenty-third New York district, was stricken with heart trouble in the Broad Street Station in Philadelphia, on May 3 and died almost instantly. Mr. Goulden was the senior general agent of the Penn Mutual and one of the most prominent life insurance men in this country. He was senior member of the firm Joseph A. Goulden & Son, 180 Broadway, New York City.

At the time of his death he was on his way to attend a meeting of the Board of Trustees of the Penn Mutual. Mr. Goulden was 71 years old. He served in both the Army and Navy during the Civil War and was always prominent in national G. A. R. affairs in Washington. He was a former president of the New York Association and a prominent Mason. He is survived by a widow, daughter and his son Maurice E. Goulden, who was his partner in business.

Acknowledgment

Preliminary report of the Insurance Department of the State of North Dakota. W. C. Taylor, Commissioner of Insurance, Bismarck, North Dakota.

Pacific Underwriter Insurance Chart, 1915 edition. Published by Pacific Underwriter, 417 Montgomery St., San Francisco, Cal.

Annual Report of the Insurance Department of Montana for the year ending December 31, 1914. William Keating, State Auditor and Commissioner of Insurance, Helena, Mont.

THE "RECALL" IN LIFE INSURANCE.

Nearly Every Agent Neglects His Prospect After One Policy Has Been Delivered—This Sale Merely a Stepping Stone.

By Close Attention to Your Client's Business Progress You Will Find It an Easy Matter to Sell Him a Second and Third Policy.

By Hubert H. Ward, Manager Pacific Northwest, Pacific Mutual Life Insurance Company.

There are re-calls and re-calls. In those States which have the Initiative, Referendum and Recall there is what is called the "Re-call" in politics, but that is not the re-call I refer to.

In life insurance there is also the re-call, and there are two kinds. The average agent is familiar with one kind—the re-call that comes in soliciting, provided the agent does not write his prospect on the first interview. Sometimes he call and re-calls and re-calls and re-calls to no purpose; and at other times he calls and re-calls and re-calls—and gets an application.

But the kind of re-call I wish to present to you is neither one of the above, but the third one, viz., the re-call after your prospect has signed the application, accepted the insurance and paid for same. Do you know, Mr. Agent, that the re-call which follows the payment of the premium is apt to be the most advantageous re-call of all.

A man who will this year buy a \$1,000, \$2,000 or \$5,000 policy from you is the man who may buy another \$1,000, \$2,000 or \$5,000 policy from you next year, and he is the man who may become a "habitual repeater" if you will but keep after him. Do not lose sight of the fact that the average man who is successful in life is constantly adding to his insurance year by year.

Prospect Neglected.

The average agent neglects a prospect after he has written him one application and delivered one policy, and goes out for green material which he has to build up from the foundation, but after you have placed a policy on a prospect you then have your foundation laid for all time and it is but a case in the future of adding story by story to the building which you have already started. Why, for instance, should you not re-call and re-call on your policyholders in such a way as to sell them in your company all the insurance which they will need, as their prosperity increases—up to the point where you have written the limit of your company?

Now, the question is—how to do this. If you will keep a carefully prepared card system of your calls and of your policies written, you will also have on that system the man's date of birth. You will always know in the future when his birthday is, and you will always know when his rate changes, which, of course, is six months from his birthday. You will make it a point each year to re-call and re-call and re-call; in other words, you will make—each year—on that man three re-calls.

You will call on him on his birthday; you will drop in on him with a smiling face and an extended hand and you will say: "Mr. Blank, to-day is your birthday. I am here simply to wish you congratulations and to extend to you my wishes for a most prosperous future. I hope, Mr. Blank, that your past year has been a prosperous one for you in your business and that you and your family have had health." Words to this effect will please any man. He may ask you how you knew it was his birthday, and you can reply by saying that it is part of your business to know the birthdays of your policyholders. Do not talk insurance to him on that date, but remember very carefully what he says to you about the condition of his business in the year which has just passed. If it has been a prosperous year with him, then in a few days call on him again and tell him that you have been thinking

over what he told you when you called on him on his birthday and that you felt it your duty to help him conserve his best interests—that increasing prosperity means increasing burdens sufficient additional insurance to safeguard him from worry which might come to him as the result of the increased burdens put upon him by increased prosperity. If, on the other hand, he has told you that the year was not a good year—that he lost money or that he was worried—then you can present the same subject of additional insurance to him from the viewpoint of his need to protect his business credit, both at his bank and with the people from whom he buys his goods. A little change in phraseology will enable you to give the same general line of talk to any man in any line of work, whether he be the owner of a store, a doctor, lawyer or salaried man.

The time for you to make your second re-call is just a few days before his rate changes; at the time you find out the date of his birth, ascertain how old he is and what the premium on either \$1,000, \$5,000 or \$10,000 of insurance would be at his *then* attained age—then ascertain what the premium would be for the same kind and amount of insurance at his next higher age. Take this difference in premium, turn to your compound-interest column in the back of your rate book, figure out what the difference would cost him in 20 years' time at 4, 5 or 6 per cent. compound interest, and when you have found the result in dollars and cents go to your policyholder or your prospect and tell him in exact figures how much you can save him by writing him that insurance or that additional insurance prior to the particular date of the particular month on which his rate changes. Very frequently you will get telling results from such calls.

The Third Re-call.

The third re-call should be made during the year at some date other than either one of the above-mentioned first and second re-calls. You should drop in on your policyholder, if he is such (and you cannot make this third re-call on a prospect—you can only make it on a policyholder), and say to him: "Mr. Blank, you are a policyholder in the company I represent. We want you to know that our company represents SERVICE; we want you to know that its representatives call on its policyholders whom they have written not only for the purpose of writing them life insurance, but also for the purpose of seeing if there is anything that they can do for them as representatives of the company. You may wish some special information on your policy; you may wish some information as to settlements in the event of your death, or how to provide in your will for the distribution of your insurance which is made payable to your estate; or there may be a number of things which may have come up in your mind affecting your insurance since I sold it to you. I am here for the purpose of endeavoring to answer any questions which you might like to have answered, and if they involve something which I would have to take up with my company before I can give you an answer, I will gladly do so."

If the average life insurance agent would only give a little more attention to this "Re-call" business in his soliciting and would keep in closer touch—not only with his prospects whom he has not written, but with his policyholders whom he has written—he would find that as years go by he would very materially increase his volume of business.

CONSERVATION OF THE HOME.

(Continued from page 2.)

The endowment policy is one that combines the mortuary points and a reserve enough to cause the contract to mature for its face at death, or at end of a given term of years, say 10, 15, 20, 25, 30 and even 35 years.

Thus we derive the name of 10, 15 or 20-year endowment. I have used the word reserve several times without explanation. By the reserve of a policy is meant the amount of money paid in a lump sum or point, at compound interest required by the law of every State, the rate is the only thing that varies, that will amount to the face of the contract at the end of any term of years for which the contract is written. We will illustrate how the reserve is used and the rates computed in our next article.

SECOND NEW ENGLAND CONGRESS.

Meeting Held at Boston on April 26 Was Attended by Many Prominent Underwriters and Laymen.

Winslow Russell, of Hartford, and Thomas Drier, of Boston, Were the Principal Speakers—Rhode Island Association After 1916 Session for Providence.

The Second New England Congress of Life Underwriters convened April 26 in the American House at Boston. The convention was attended by more than 250 underwriters and several prominent laymen and educators. Questions vitally affecting the present-day methods of the business of life insurance were the subject of much interesting discussion. There was a consensus of opinion among those who attended that the session has done much toward bringing about better methods, greater efficiency and a high ethical standard among the life underwriters of the New England States.

The meeting was called to order by Clarence C. Miller, chairman of the Executive Committee of the Boston association. After a few remarks he introduced Francis A. Crumm, president of the Rhode Island association, who presided over the Congress.

Winslow Russell, of Hartford, agency manager for the Phoenix Mutual, and Thomas Drier, of the Thomas Drier Service Company of Boston, were the principal speakers. Mr. Drier delivered an address upon "Science vs. Shoe Leather in Selling Life Insurance." He is one of the leading publicity men in this country and the application of his profession to insurance contained some interesting information.

Mr. Russell spoke on "The Life Insurance Agent of the Future." He emphasized the position taken by some companies on the part-time agent. He reiterated the story of an interesting round table discussion which occurred recently in the private dining room of an exclusive city club. Nine people are in the party. The host is an attorney and the other members are a clergyman, physician, banker and a young and an old life insurance agent and a lady, Dr. Katherine Blackwell.

A Matter of Professions.

The host addresses the gathering and says he has gathered the party for the purpose of securing their ideas as to what profession he should recommend a young man to enter. Five years ago he would not have had a life insurance agent present. "Twenty years ago," he continues, "I was attorney for a large life insurance company, and my chief concern as attorney for that company was to see how little I could pay in the settlement of claims that passed through my office. The contract in those days was technical and I was instructed to take every advantage of these technicalities. I was in touch with the field force and the agents conducting the company's business along similar lines to the manner in which I conducted my work for the company. Contracts are different now. Agents are different. In fact, the change has been so complete that I cannot now avoid giving serious consideration to the life insurance business as a business to which I may commend my young friend to engage in. Of course it is not perfect yet, but in my vision I can see that it will, eventually, become the finest and biggest business in the world."

He then asks the manufacturer for an expression of his opinion. The manufacturer says: "I do not see where you get the ground for your opinion. I cannot see it in the way you do. I have been on several different occasions hoodwinked by life insurance agents, and in fact my every experience with this business has been such as to put me on my guard. I do not like the system employed in getting of the business. For instance, my private secretary and my foremen, some twenty in number, all have the rate book of some company, and within fifteen minutes of a life insurance agent's having talked with a man in my employ about life insurance one or all of these men with the rate book approach him and offer to do the business."

"And it is these part-time helpers who un-educate the public after the legitimate agent has done his work," said Mr. Russell.

The Old Agent says that the home office wants the business, but does not tell agents how to get it, so they are obliged to make the best use of the means they have at hand.

The Young Agent says: "My manager does it different'y. He educates us young agents before we are sent out into the business world to meet the public. And not only that, but he employs no part-time men or helpers so we have no interference from competition within our own ranks. I have been in the business only for two years but I have made good from the start. The way I have been taught leads me to believe that our way is the best and I believe that the future will prove it."

The physician says that in his opinion life insurance is a fine business but there is too much poverty running through the selling end of it. The average agent sets his mark too low. Many agents have an idea that if they can write \$100,000 of business annually they have done enough. They limit themselves where they should strive to double the record and never be content to simply write a limited amount of business.

The clergyman and the banker are optimistic, and believe the future of the business to be bright with success.

Must Eliminate the Unfit.

Dr. Blackwell says the time is not far distant when the life insurance agent must be tested to see if he is in the right business, or it has been found that a very large percentage of men engaged in various kinds of business were unfitted for their work. There must be some test to be applied to men entering the business to find out at the start if they are suitably equipped to take up the business as a life work. If this were done it would be in the best interest of the business as a whole, and also to the individual agent, who would thus be prevented from continuing in the business as a charge upon his general agency. Many agents make the mistake of selling life insurance to men's heads instead of to their hearts, and for this reason their success is limited.

In conclusion, Mr. Russell said that before we get the life agent of the future we will have to get rid of some of the agents of the past. In this work of eliminating the undesirables the life underwriters' associations and the New England Congress had a big chance to lift.

Following the luncheon Vernon B. Sweet, president of the Boston association, made a brief speech on the value of association work to the individual underwriter.

Clinton C. White, secretary of the Puritan Life, in behalf of the Rhode Island association, extended an invitation to the Congress to hold its 1916 session at Providence. The matter was referred to the committee and there was a consensus of opinion that the invitation would be accepted.

The afternoon session was devoted to five-minute discussions on various topics of interest to the underwriters.

Albert H. Curtis of the New England Mutual, in discussing "Methods of Selecting Desirable Prospects," advised young agents not to depend too much upon their friends and acquaintances. He was of the opinion that these prospects were the most difficult to solicit until the agent had proven himself master of the situation. William C. Johnson, vice-president of the Columbian National Life stated that he had found letters and literature very good. If agents will keep posted as to what is going on around them virile prospects will present themselves, he declared.

William C. Creery of the Mutual Life told of having written a man for a \$25 a month income policy in March. This man had been solicited by a number of other agents, but he was the first to suggest the income plan. Within three weeks Mr. Creery has written eight other income policies for acquaintances of the insured who has passed the good word along.

In discussing the subject of "How to Effect the Sale," E. G. Lanning, of the Provident Life and Trust, played upon the importance of making a friend of the insurant after the sale had been effected. "In this manner you can make many more sales through him," he continued. Much to the surprise of those present J. Putnam Stevens confessed to hypnotism. "I believe in hypnotic power," he said. "Get hold of a man, have all conditions right and you can do business. Never let a prospective buyer of insurance get any farther than the first page of the policy, said S. Brown, of the New York Life. It is the only part of the policy he will be able to understand. Excessive figuring of policy analysis and rates is bad practise."

LISTEN!

Have you received a blank to be filled out in connection with the National Association's "Analysis of a Successful Agent?"

If so, why not furnish the data required?

Your Name is Not Necessary

A large number of replies will permit the calculation of an average sufficiently accurate to form a sound basis for selecting and building up future agents.

Give five minutes of your time to

"The Good of the Cause"

Mail your reply to

EVERETT M. ENSIGN,
Corresponding Secy.,
National Association of Life Underwriters.

56 Pine Street, New York City.

To properly effect a sale you must study the man who is about to become your customer, find out his needs and supply them, rejoined Harry N. Green, of the Phoenix Mutual. Know your contracts, know your business, and don't be afraid to let folks know all about it, was the advice given by Maurice H. Stearns.

I used to talk too much, declared Dana W. Dustin, and I lost considerable business by doing so. I had to change my tactics. Now the minute I get my prospect to talk I stop and the prospect sells himself.

Life Association News

A MONTHLY JOURNAL DEVOTED TO THE INTERESTS OF ALL
LIFE INSURANCE AGENTS.

PUBLISHED BY THE
NATIONAL ASSOCIATION OF LIFE UNDERWRITERS

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ARTICLE II OF THE CONSTITUTION.

"The object of this association shall be to advance the best interests of the cause of true life insurance."

Address all communications to

EVERETT M. ENSIGN, Editor and Manager.

Telephone, 4244 John.

LIFE ASSOCIATION NEWS, 56 Pine Street, New York City.

This newspaper is owned by the National Association of Life Underwriters, unincorporated, a voluntary association; Hugh M. Willet, president, Fourth Nat. Bank Bldg., Atlanta, Ga.; J. Henry Johnson, secretary, Lee Bldg., Oklahoma City, Okla.; H. Wibirt Spence, treasurer, 306 Penobscot Bldg., Detroit, Mich.

SUBSCRIPTION PRICE \$1.00 A YEAR IN ADVANCE

THE INCOMPETENTS.

That there are incompetent men soliciting life insurance—whole-time, part-time and any-old-time—is too obvious to require anything but the assertion. Were it not for the fact that the local associations and the National Association are engaged in efforts to ameliorate these conditions the situation would hardly justify extended comment. And we say this because incompetency is not peculiar to the business of life insurance, but exists in every vocation.

Inefficiency and incompetency characterize a certain percentage of the entire human race. There is the bootblack who insists upon polishing your socks instead of your shoes, and who reaches the climax of his artistic efforts by yanking the cuffs of the trousers of your new spring suit with a hand that has never been on good terms with soap and water. There is the plumber who ruins the value of your home to an extent which is several times more than the bill which he renders. The barber casts his inefficiency upon you, for "you have a very tough beard" or "a hard face to shave." The tailor has the same trick, for your figure is "not of normal proportions." Have you ever been greatly impressed with the professional knowledge and business acumen of the average lawyer? What about the mistakes of the average doctor? The cemeteries hold inviolate many secrets.

Unfortunately we have no statistics to show the relative inefficiency of any particular class of men, yet it is quite possible to assume that the percentage is not greater in the solicitation of life insurance than in any other line of human activity. By no means does this justify a complacent attitude on our part. While realizing that in many instances it is nothing more than the pot calling the kettle black, our propaganda has as its ultimate object the attainment of such conditions that the pot dare not call the kettle black.

Incompetency in the solicitation of life insurance results from two causes—one a lack of knowledge of the business and the other is unscrupulous business methods. Sometimes there is a dangerous combination of both factors. As unscrupulous business methods cannot exist where there is a thorough knowledge of life insurance, and an appreciation of beneficent purposes, an immensely important step was taken by the Education and Conservation Bureau of the National Association when it prevailed upon Dr. S. S. Huebner to write a text-book—a medium which will strike the death-blow to incompetency resulting from a lack of knowledge.

The need of an exhaustive, non-partizan, not-too-technical treatise on life insurance is emphasized when we consider that, whereas many agents are sadly in need of such an educational medium, the people of the United States have, from the very infancy of the

PERFECT PENSION POLICY OF THE PACIFIC PERMANENT PROTECTION FOR POSTERITY

"Come to the Pacific with Ward"

and sell it in the Pacific Northwest for the

PACIFIC MUTUAL LIFE INSURANCE COMPANY

(Organized 1868—Assets \$32,000,000)

Write H. H. WARD, Manager PACIFIC NORTHWEST

Stuart Building,
Seattle, Wash.

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Portland, Oregon

stitution, but vaguely realized its purpose, its principles and its possibilities. Of all institutions which form large in our economic life, life insurance has been the most misjudged, the most misunderstood and the most misrepresented.

It is the height of extreme absurdity to speak of selling the policy to the prospective policyholder when the solicitor is familiar with but one or two forms of policies. The truth hurts, but there are hundreds of agents who understand but three policies—the ordinary life form, the limited payment form and the endowment form. And, generally speaking, all that is known about these three forms are the rates. If the agent represents a participating company he is sometimes able to give an imitation of a man of intelligence, by reason of his volubility over expected dividends.

About twenty years ago a young man called at the Home Office of a company in New York City. He was given a contract, a rate-book and was baptized with an overwhelming blast of what is commonly termed "hot air."

He went forth to conquer the *World*, but became confused and soon found himself in *Brooklyn*.

He interviewed a German carpenter. He sold him a twenty-payment policy for \$5,000. As the young man was leaving the shop the German carpenter said, "Is dere not a bolicy dot is sheaper, von dot you bay n vor as long as you lif?" "Not on your life," said the agent, as he bolted for a street car. When the young man arrived at the Home Office he succeeded in convincing himself that there were policies other than the twenty-payment plan.

Since then this man has been president of the National Association; he is now the head of one of the largest general agencies in the United States.

He lived and learned, which was the old-fashioned way of doing things. Now, with Dr. Huebner's text-book, we propose to learn first and live afterward, or, to express it more accurately, we propose to *Learn to Live*.

Vice-President Edward A. Woods stated, some time ago, that he heard one of the most prominent Senators of the United States, a member of the Income Tax

Section of the Finance Committee of the Senate, ask Darwin P. Kingsley to explain how a life insurance company could be mutual when it had six hundred million dollars. Mr. Kingsley could not make the Senator understand the situation.

Dr. Huebner's text-book will be off the press about the first week of the coming August. And this much can be said with no little emphasis. If the book is received with the avidity which its necessity warrants, the wayfaring man, though an agent or layman, need not err—where life insurance is concerned.

NEVER before in the history of this country have the trans-continental railroad lines been so heavily taxed.

Do you expect to go to the convention on the special train?

If so, do two things NOW.

Make your train reservations with S. A. Hutchison, Manager, Department of Tours, 148 South Clark Street, Chicago, Ill.

Make your hotel reservations through HORACE R. HUNTER, Shreve Building, San Francisco, Cal.



Revivals That Will Last.

It requires more than a little courage to make the assertion that the National Association and its affiliated local bodies are practically powerless to maintain a high standard of business ethics among the various field representatives.

In the first place, after twenty-five years of active and even aggressive effort along such lines, the National Association and its constituent organizations, find themselves rather well satisfied with the results which have been accomplished.

In the second place, it is almost impossible to conceive that these organizations, held together only by an ethical propaganda, could have grown to their present proportion in an uninterrupted course of twenty-five years, unless each year served as a milestone of appreciable progress as well as an augury of greater encouragement in years to come.

A leading editorial in *The Surveyor* discusses the question of "Revivals" in local associations and cites the facts in regard to the proposed "clean-up campaign" of the Chicago association. says *The Surveyor*.

The moral urge inciting to this campaign is doubtless praiseworthy. We need some kind of weeding out of undesirables here in New York; and the local association here has essayed some weak weeding campaigns and then subsided, so to speak. We rather look for a similar result in Chicago.

The usual ineffectiveness of these "revivals" seems to have its foundation in the fact that the moral urge doesn't develop in the right place and is not a real moral urge, but merely a lively indignation over losing business to some other fellow who is a rebater, or twister. When a half dozen such losers happen to get together and compare notes a moral "revival" is started. The moral urge, to be a real one, should originate in the home offices of insurance companies. You cannot make a bull hit the trail by taking him by the tail and swinging him around into it.

There seems to be some recognition of this latter fact in Chicago, because the revivalists propose to invoke the power of government to compel companies and other agents to conduct themselves according to the moral conceptions of the leaders of the revival. They propose to make 'em be good, whether they want to or not. Something similar is in the purpose of the agents' license law now in this State, where the Insurance Department has a very great power over an agent's business career. Does the existence of this power mean anything as an active force? Not so you can notice it.

We know of an instance (couple of years ago, at least) wherein—by arrangement—a representative of the Insurance Department was present and heard the offer of a life insurance rebate by a licensed agent, but the Department never did anything about it. The poor agent never lost his license.

That is the way these things usually work out. The powers of government and the powers of agents' associations to compel strict business morality are practically nil. The only positive reforming power is the company's home office which can clean its stables if it really wants to do so.

Since we are discussing revivals, it reminds us that just recently the methods of Billy Sunday, the evangelist, were criticized by the statement that many of Mr. Sunday's converts, after walk-

ing in the straight and narrow path for a brief period, subsequently backslid. Mr. Sunday replied, in substance, that undoubtedly a certain percentage of converts fell from the "wagon" or otherwise resumed their previous iniquitous habits. But even then, he contended, if only a few men had reformed for a few weeks was the ultimate result not better than if they had never forsaken the devil?

So it is in association work. No association, National or otherwise, can reform the black sheep of the life insurance business en masse. It is slow work, hard work, and work which is never ended. There are incorrigibles, and backsliders in the association movement just as there are in any other movement. But where the associations slip back one step they go ahead two steps, and field conditions of the present day resemble field conditions of ten years ago just about as much as the personal characteristics of Kaiser Wilhelm resemble those of William Jennings Bryan.

There is no small degree of satisfaction in knowing that the National Association is responsible for practically every great reform in field procedure. Perhaps it has not accomplished all it could have accomplished: perhaps there are isolated cases of revivals inspired by envy or pique, but generally association activities are distinctly salutary and not lacking in the element of sincerity.

Let us reflect, too, on the fact that the great majority of life insurance men are thoroughly conscientious, and that "Joy shall be in heaven over one sinner that repenteth, more than over ninety and nine just persons, which need no repentance."

Rocking the Boat of the Postal Life.

Richard Harding Davis is decidedly opposed to the "watchful-waiting" attitude, as manifested at Washington. In a recent communication to the *New York Times*, he expressed himself most forcibly. "Why not rock the boat," said he? "If the man at the helm is asleep, if he is incompetent, if he is steering us straight to disaster, why not rock the boat?"

Of course, these remarks were in reference to what Mr. Davis considered a complacent attitude on the part of our chief executive and certain of his advisors over the sinking of the *Lusitania*. However, the principle involved in "rocking the boat" is applicable to certain affairs in life insurance. There is a time when patience actually ceases to become a virtue; there is a time when agitation, protest and vigorous action become necessary. This is evidently the view of *The Insurance Observer* with regard to the Postal Life Insurance Company.

For some time past *The Insurance Observer* has been rocking the boat of the Postal Life. In the April number of the *News* we referred to an analysis of the methods of the Postal Life, and quoted comment in connection with this matter from *The Insurance Observer*. Certainly the boat of the Postal Life seems to be a frail craft, now sailing on perilous seas. It seems doubtful that it will be able to stand much more rocking, without going to the bottom. That it has sprung a leak in several places is obvious from another article which recently made its appearance in *The Insurance Observer*. The article to which we refer is a complete yet succinct analysis of the annual statement of the company in question, and in order that it may lose none of its strength it is herewith quoted in its entirety.

If the virtue of advertising were to be determined by the results obtained by the Postal Life Insurance Company in 1914 there would be financial distress in many publication

offices. The annual statement of the Postal Life is an unpleasant disclosure of a disastrous defeat. By every test of success and progress the Postal Life fails to measure up to standard form.

Of the eight items of income classified in the summary of life insurance operations in 1914 published by the New York Insurance Department, seven show decreases for the Postal Life and only one an increase. Of the nine items of disbursements five show decreases and four increases. The total income decreased \$56,638 and the total disbursements \$224,753. The disbursements exceeded the income by \$168,978 following an excess of \$337,093 in 1913. A summary of the income account follows:

INCOME

Dec. 31, 1914.

First year premiums original policies.....	\$80,275	Decrease	\$17,301
Total new premiums.....	96,646	"	23,318
Renewal premiums.....	1,475,564	"	78,686
Total premium income.....	1,572,210	"	102,004
Interest.....	264,937	"	20,296
Rent.....	215,059	"	9,922
Profit on sale or maturity of assets.....	78,936	Increase	78,936
Other income.....	29,424	Decrease	3,352
Total income.....	\$2,160,566	Decrease	\$56,638

DISBURSEMENTS

Death claims.....	\$1,131,514	Decrease	\$17,168
Endowments.....	142,140	Increase	9,218
Annuities.....	7,887	"	185
Lapsed and surrendered policies.....	535,188	Decrease	204,375
Dividends to policyholders.....	53,352	Increase	9,572
Commissions.....	25,394	Decrease	6,445
Salaries, medical fees, etc.....	110,924	"	3,333
Loss on sale or maturity assets.....	1,667	Increase	1,667
Other disbursements.....	311,478	Decrease	14,075
Total disbursements.....	\$2,329,544	Decrease	\$24,753

The Postal Life received less new premiums and less renewal premiums in 1914 than in 1913. This is due to a smaller amount of insurance written, and to a decrease in the total amount of insurance in force. The one single item of increase in income is "profit on sale or maturity of ledger assets" reported at \$78,936. Apparently this came from the disposal of securities. Without this increase the income would have been \$135,000 less than in 1913.

There was a decrease of \$224,753 in disbursements, but most of the decrease, \$204,375, is in payments on lapsed and surrendered policies. So large a decrease in this item is not explained by the decrease in terminations other than by death and maturity, which was only about \$307,000. The other items of disbursements are changed only a little.

Three of the eight items of assets show a decrease and also the total, three of the four items of liabilities the total, and also the surplus are all less than in 1913, as the following summary shows:

ASSETS

Dec. 31, 1914

Real estate—market value..	\$3,237,463	Increase	\$28,200
Mortgage loans.....	1,783,630	Decrease	5,718
Loans on policies.....	2,466,165	"	94,139
Bonds and stocks owned.....	1,271,272	"	182,342
Cash in office and in bank...	126,963	Increase	45,225
Interest and rent due and accrued.....	148,767	"	\$33,902
Net uncollected and deferred premiums.....	192,171	"	2,952
Other assets.....	387,418	"	12,508
Total assets.....	\$9,613,849	Decrease	\$159,413

LIABILITIES

Reinsurance reserve.....	\$9,031,139	Decrease	\$181,433
Policy claims unpaid.....	121,642	Increase	393

Dividends to policyholders unpaid.....	32,102	"	13,703
Other liabilities.....	199,084	"	8,086

Total.....	\$9,383,967	Decrease	\$159,251
Capital.....	100,000		
Surplus.....	129,882	Decrease	162

Total liabilities..... \$9,613,849 Decrease \$159,413

The principal decrease in assets is \$182,342 in bonds and stocks owned, and it is probably here that the profit on sale or maturity of assets may be located. The decrease of \$181,433 in re-insurance reserve means loss of business, and this saved the surplus from a greater loss than \$162. The insurance exhibit follows:

INSURANCE EXHIBIT

Amount

Issued during 1914.....	\$2,575,220	Decrease	\$476,819
Revived and increased in 1914	818,699	"	12,867
Total.....	\$3,393,919	Decrease	\$489,686
Terminated by death.....	\$ 1,149,959	Increase	\$72,354
Terminated by maturity.....	144,648	"	6,728
All other terminations.....	5,107,052	Decrease	306,969
Total terminations.....	\$6,401,659	Decrease	\$227,887

Decrease in insurance in force \$3,007,740 Increase \$261,799

The company closed the year with only \$44,242,318 of insurance in force compared with \$47,250,958 in 1913, \$49,995,999 in 1912, \$54,078,563 in 1911 and \$62,669,531 in 1910. The decrease in 1914 was \$3,007,740, or \$261,799 more than in 1913. The new issues were \$476,819 less than in 1913, and the revived and increased business \$12,867 less. Against \$3,393,919 insurance issued, there was \$6,401,659 terminated. While the terminations by death and maturity increased, the other terminations decreased \$306,969, making the decrease in total terminations \$227,887.

Such a record of decreases was probably never made by any life insurance company which claimed to be prospering.

Is It the Fault of the Laws?

It is an axiom of natural philosophy that water will not rise higher than its source. Our legislators and our law-makers also tell us that it is quite impossible to enforce a law to which public opinion is opposed.

When one considers the many laws in the various States with regard to twisting, rebating and other reprehensible practises, it at times seems almost incredible to imagine that agents are guilty of the violation of these statutes. It is undoubtedly true, however, that the efficacy of these laws, in any particular locality, depends, to a very large extent, upon the general ethical plane of the underwriters in that locality. It has been declared to be practically impossible to enforce anti-drinking statutes in communities where the people desire to drink, and it is equally true that it is exceedingly difficult to enforce anti-rebating laws where rebating is the general practise of company representatives.

Perhaps one great function of local associations is not for the purpose of placing upon the statute books more inhibitory decrees, but to raise the standard of general practises so that the existing laws may be made effective, and to prepare the way for further advancement. Just recently, as noted elsewhere in this number, Former National President Hubert H. Ward and William D. Mead toured the Pacific Northwest, and succeeded in organizing several new associations. After Mr. Mead's return to Seattle he received a letter from Samuel D. Goza, general agent of the Northwestern at Helena, Mont., from which we excerpt the following:

That a better understanding and a more harmonious "work together" spirit should prevail among the representatives of the standard companies, to my mind, admits of no argument, for the reason that this lack of co-operation results in a tremendous waste and to a deplorably great extent results in nothing more or less than substitution of service, which is little short of criminal. For it has always been my belief that when once a man has applied to a stand-

ard company for insurance common decency suggests to any man who has any knowledge of the insurance business that this man should be immune from attacks and efforts of competing companies to either prevent the delivery of that policy or to substitute another policy after it is written. While State laws are enacted from time to time looking to the betterment of these conditions, still their practical value has not shown the results we fondly expected. The intellect and conscience of the individual manager and agent must be developed in order to remedy many of these deficiencies, and I have no doubt that when this State becomes more thickly settled such an organization as the one you gentlemen suggest can be successfully launched and maintained.

Herein it should be noted that Mr. Goza states, "While State laws are enacted from time to time looking to the betterment of these conditions, still their practical value has not shown the results we fondly expected." This but supports our contention that mere laws affecting agency conduct are of comparatively little value, without a general desire on the part of field workers to live up to them. Without attempting to bridge the gap of logical detail existing, we can, in the light of experience, assert that when there is a desire to make these laws effective the very best way to accomplish that end is for local underwriters to become imbued with the association spirit. Therefore the necessity of local associations.

The Right of Revocation.

The New York newspapers tell us that Mrs. Isabelle Brulatour has brought suit in the Supreme Court to compel her husband, from whom she has been separated for several years, to take out life insurance, aggregating \$65,000, so that she and her three children may feel secure as to the future. The plaintiff stated that Mr. Brulatour had agreed to do this, but that when the time came to take out the policies he refused to do so.

A contemporary, in commenting upon this, claims that wills, agreements and trusteeships sometimes fail in carrying out their terms. Furthermore, while estates shrink in value, due to expenses incident to litigation and lawyers' fees, "life insurance stands as a sure estate, performing the expressed purpose of the assured." To be perfectly frank with ourselves, however, we must admit that the protection afforded by a life insurance policy is more often than not subject to the fancy of the insured. The beneficiary has, in most cases, but little to say about the matter. It would seem that if Mrs. Brulatour won her case the court might compel the defendant to insure his life in her favor. But could the court prevent Mr. Brulatour from subsequently changing the name of the beneficiary, if he so desired? Or could the court prevent Mr. Brulatour from hypothecating the protection by means of a loan, or at some future time taking the cash surrender value?

Dr. S. S. Huebner has called attention to this matter in this way.

The right of revocation is treated differently in the contracts of different companies. Many contain the provision reserving to the insured the right of revocation at will, usually on the ground that such a practise is supported by reason of expediency and equity in that the insured should as a matter of right have the privilege of doing as he wishes with his own.

The primary purpose of life insurance, however, is to protect the members of the family named as beneficiaries, and the change-of-beneficiary clause should therefore be viewed from the standpoint of the claims of creditors. Judging from recent court decisions it is probable that a clause reserving full power to the insured to change the beneficiary at will subjects the policy to claims of creditors and causes it, in case of the insured's bankruptcy, to pass by order of the court to his assignees. . . . The introduction of the clause giving the insured a free hand to change the beneficiary, or to surrender the policy, or to use it for borrowing purposes, introduces an element of uncertainty in a contract that in most instances should be made absolutely secure for the benefit of those for whose protection it was expressly taken out, and who have a right to expect that the insurance fund, which is their sole provision against want after the

decease of the bread-winner, shall not have constantly hanging over it an element of uncertainty.

FOLLOWING is a fac-simile of the first page of the BULLETINS issued semi-monthly by the National Education and Conservation Bureau. They are attracting much attention throughout the life insurance world.

These bulletins are issued by the Education and Conservation Bureau of The National Association of Life Underwriters. They are for the exclusive use of local associations which have contributed to the National Fund of the Bureau.

Bulletin No. 2

Mailed

THE news articles which follow will be found available for Life Insurance Departments conducted by associations in daily newspapers. From time to time there will also appear news stories which editors will consent to publish gratuitously in the regular columns of their papers.



This emblem identifies members of the National Association of Life Underwriters who are pledged to the highest standards of Life Insurance practice.

IMPORTANT

Mail each week copies of newspapers containing news matter taken from these bulletins to

EVERETT M. ENSIGN

Acting Secretary

Education and Conservation Bureau

The National Association of Life Underwriters

56 Pine Street, New York City

(Copyright, March 1915)

SUNSHINE AND SMILES FOR SUCCESS.

By Taking All the Ginger Out of Yourself You Cloud
Other People's Days—A Thing You Have
No Right to Do.

With War Clouds Hovering Near and Business Not What
It Ought to Be You'll Find Mix's Mustard
Quite Apropos.

By ROBERT J. MIX,

Manager, Prudential Insurance Co., New York City.

When you first open your eyes in the morning and lazily begin to stretch yourself, is there a sort of a glad feeling that runs all through your veins as you realize that you've been spared another night and a new, clean day has begun?

If you live where you can look out four ways and see the green grass and the trees and the flowers and hear the birds sing in the summer-time—where you can see the sun laughing as he gets out of bed in the east—does your heart rejoice and do you say to yourself, "Hello, here's a new day; golly, I'm glad to see it—glad I'm alive! Wonder what I'll do that's good and worth while *to-day*—wonder if I won't strike something pretty rich *to-day*!"

Do you whistle or hum a tune while you're shaving and taking a bath? Are you glad all through because you're facing another opportunity—because you have *another chance*? If not, my brother, there's something wrong with you—there surely is something wrong, but, thank the Lord, you can set it right if you *choose* to do so!

Sunshine vs. Shadow.

This world that we're living in is a jolly old place after all! There's lots more sunshine than shadow in it—lots more! All we've got to do is to just keep on the sunny side of the street! Of course, a fellow *can* start off the day by being cross and crabbed, and he can walk in the shadows if he chooses, but if he does, it's his own fault, and I pity him, poor devil, for he hates himself and other people don't love him, and he accomplishes mighty little in the world!

Suppose you *were* disappointed yesterday—why, so was Jim Brown and so was Peter Robinson and so was I, but all three of us decided that the chances were that we wouldn't be disappointed *to-day*, and, anyhow, we didn't propose to look glum and glower over it, for we knew that if we did, likely enough it would take all the *ginger* out of us and we'd be clouding other people's days—a thing we had no right to do—so we *forgot* yesterday and last week and last year, and when the sun got up and grinned at us, we grinned back at him, whereupon the sun and we and all other human beings that we met that day were good friends and were mighty glad to see each other!

It's amazing how much disappointment and hard luck and all that sort of thing a fellow can stand if he insists on keeping himself in the *right state of mind*, and it's really most astonishing how little our troubles amount to *when we analyze them*!

A Reflection.

I reckon I've said it to you before, but I'm going to take the chance of repeating myself and give you a prescription.

The first time you feel downcast and discouraged, down on your luck and all that sort of thing, go somewhere and find a looking glass, take a look at yourself—and *grin*! You'll be surprised at the result! Instantly, your spirits will rise and you'll be a *new man*!

This business game is more fun than a set-to at golf or "auction"—it's more fun than a barrel of monkeys if you *only think so*! If I could retire to-day I wouldn't do it—I calculate to take a hand in the game as long as I live. You see you never know what cards are going to be dealt you—they may run bad for a while but you know for sure that if you *stay long enough*, you'll get your share of the good ones, and in the meantime you've just got to *play your hand for all there is in it—that's all*!

ALL UNDERWRITERS ARE LIFE SAVERS.

By Robert J. Mix.

I've been doing a lot of thinking lately about the moral side of our business and the influence it ought to have (but, as a rule, doesn't have) on our efficiency as life insurance salesmen!

Now, let's suppose that you saw a man drowning: of course, you'd feel sort of timid and ashamed of yourself, and I reckon you'd stand on the bank and offer him an apology before you made a desperate effort to save his life, wouldn't you? "No!" You say you'd get busy instantly and strain every muscle and every nerve to save that chap? Well, maybe you would; come to think of it, I know you would, and while you'd simply be doing your duty all men would applaud you! Now, if I'm sure of anything in this world, it is this: to a decent man, the saving of his family from want or distress is more important than the saving of his own life, and I believe that most men are decent!

No Apology Needed.

How ridiculous for you to apologize by word or manner for trying to save a man's family!

Get your mind onto this thought and keep it there! If all of the business men who have died within the last twenty years could rise from their graves, in what condition do you think most of them would find their families? Would most of them be independent? Would they be living in the comfort which they enjoyed while the bread-winner was on earth and hard at work making money? Or is it a fact that most of the widows and orphans would be found living in materially reduced circumstances, perhaps compelled to labor hard for a bare living?

You know the answer to that question, too—you know that in the vast majority of cases the men who thus were restored to life would find their families more or less afflicted—more or less in distress, by no means living as they once lived. I tell you, my friend, it would be like "shooting fish" to write life insurance among those resurrected men! I hope it's perfectly obvious to you, then, that your principal task is to make the live ones realize what the dead ones perhaps now know—perhaps bitterly realize?

It's really remarkable, when you come to think of it, that there should be any serious difficulty in selling life insurance, for we know—all men know—that every good life insurance company will surely make good—will surely guarantee, for a reasonable sum, to ward off poverty and distress—will guarantee peace and comfort—so far as the vastly important matter of the preservation of the home, the education of the children and the keeping of the wolf from the door is concerned. You believe that, don't you? Then, my brother, why don't you talk it more strongly? Why doesn't it make your appeal so effective—your argument so irresistible—that no man can say you nay? You know what dying without adequate life insurance protection means. You realize it because it's a thought that is with you every hour of every day! The other man knows it, too, but he puts the thought away from him until you compel him to give it the consideration it 'deserves.

Oh, the selfishness—the awful selfishness—the criminal selfishness and neglect—of the men who take to themselves wives and undertake to raise families without providing safe and sure protection for them! It's your task—your duty—to open their eyes to the wickedness of this neglect! Could you ask for a better or nobler mission?

First Woman Insurance Commissioner.

Of great interest to women, especially those affiliated with the business of life insurance, is the news of the recent appointment of Mrs. Dorothy McDonnell Rolph as Insurance Commissioner of Colorado.

Mrs. Rolph has made an ardent study of insurance for the last eight years, during which she has served this department in her native State. For three years she has officiated in the capacity of chief clerk. Not only are the local underwriters very pleased over the appointment, but they go so far as to boast of the only woman Insurance Commissioner in captivity.

The fruits of the feminist movement in Colorado are very much in evidence and Denver political celebrities will tell you that their arbiter of insurance destinies is second to none in this country.

THE SAN FRANCISCO CONVENTION CLUB

Following is a list of members of local associations, and relatives of such members, who will assemble at Chicago on the morning of August 5, where the Convention Special will be taken for San Francisco. Underwriters throughout the country who expect to join this party are requested to send in their names and the names of relatives or friends who will accompany them. The list will appear each month, and will be augmented as additional names are sent in.

Mr. P. L. Bowen, Cleveland, Ohio.
 Mr. David C. Bowen, Cleveland, Ohio.
 Mr. Frank D. Buser, Philadelphia, Pa.
 Mrs. Frank D. Buser, Philadelphia, Pa.
 Mr. Augustus Byers, Columbia, S. C.
 Mrs. Augustus Byers, Columbia, S. C.
 Mr. George W. Cannon, Davenport, Iowa.
 Mrs. George W. Cannon, Davenport, Iowa.
 Mr. W. G. Carroll, Philadelphia, Pa.
 Mrs. W. G. Carroll, Philadelphia, Pa.
 Miss Carroll, Philadelphia, Pa.
 Mr. Fred N. Cheney, St. Louis, Mo.
 Mr. Ernest J. Clark, Baltimore, Md.
 Mrs. Ernest J. Clark, Baltimore, Md.
 Mr. Richard E. Cochran, New York City.
 Mrs. Richard E. Cochran, New York City.
 Miss Isabel Conlin, Boston, Mass.
 Miss Marcella Conlin, Boston, Mass.
 Mr. James M. Dickey, Erie, Pa.
 Mrs. James M. Dickey, Erie, Pa.
 Mr. Chas. Jerome Edwards, Brooklyn, N. Y.
 Mr. Everett M. Ensign, New York City.
 Mrs. Everett M. Ensign, New York City.
 Mr. Wm. M. Furey, Pittsburgh, Pa.
 Mrs. Wm. M. Furey, Pittsburgh, Pa.
 Dr. C. B. Graham, Charleston, W. Va.
 Mrs. C. B. Graham, Charleston, W. Va.
 Miss Eunice Graham, Charleston, W. Va.
 Mr. Warren M. Horner, Minneapolis, Minn.
 Mrs. Warren M. Horner, Minneapolis, Minn.
 Miss Helen Horner, Minneapolis, Minn.
 Mr. J. J. Jackson, Cleveland, Ohio.
 Mrs. J. J. Jackson, Cleveland, Ohio.
 Mr. J. Henry Johnson, Oklahoma City, Okla.
 Mrs. J. Henry Johnson, Oklahoma City, Okla.
 Mr. William Klusmeier, Cincinnati, Ohio.
 Mrs. William Klusmeier, Cincinnati, Ohio.
 Mr. H. A. Kumberland, Wheeling, W. Va.
 Mrs. H. S. Kumberland, Wheeling, W. Va.
 Mr. Kendall, Wheeling, W. Va.
 Mr. G. Russell Leonard, Chicago, Ill.

Mr. H. R. Lewis, Rochester, N. Y.
 Mrs. H. R. Lewis, Rochester, N. Y.
 Mr. Millard W. Mack, Cincinnati, Ohio.
 Mrs. Millard W. Mack, Cincinnati, Ohio.
 Mr. M. W. Mack, Jr., Cincinnati, Ohio.
 Mr. A. J. Meiklejohn, Ottawa, Can.
 Mr. D. R. Midyette, Richmond, Va.
 Mrs. D. R. Midyette, Richmond, Va.
 Miss Lucy M. Morrill, Boston, Mass.
 Mr. J. P. Mulhall, Utica, N. Y.
 Mrs. J. P. Mulhall, Utica, N. Y.
 Mr. Geo. H. Olmsted, Cleveland, Ohio.
 Mrs. Geo. H. Olmsted, Cleveland, Ohio.
 Mr. I. Pinkus, Indianapolis, Ind.
 Mrs. I. Pinkus, Indianapolis, Ind.
 Miss Elise Pinkus, Indianapolis, Ind.
 Mr. Henry J. Powell, Louisville, Ky.
 Miss Mary Gunn Powell, Louisville, Ky.
 Mr. Wm. H. Riley, Erie, Pa.
 Mrs. Wm. H. Riley, Erie, Pa.
 Mr. Lee C. Robens, Hartford, Conn.
 Mrs. Lee C. Robens, Hartford, Conn.
 Mr. Chas. W. Scovel, Pittsburgh, Pa.
 Mrs. Chas. W. Scovel, Pittsburgh, Pa.
 Mrs. Florence E. Shaal, Boston, Mass.
 Mr. Neil D. Sills, Richmond, Va.
 Mrs. Neil D. Sills, Richmond, Va.
 Mr. H. Wibirt Spence, Detroit, Mich.
 Mrs. H. Wibirt Spence, Detroit, Mich.
 Mr. J. Putnam Stevens, Portland, Me.
 Mr. Thomas B. Sweeney, Wheeling, W. Va.
 Mr. J. K. Voshell, Baltimore, Md.
 Mrs. J. K. Voshell, Baltimore, Md.
 Mr. Hugh M. Willet, Atlanta, Ga.
 Mrs. Hugh M. Willet, Atlanta, Ga.
 Mr. Wilson Williams, New Orleans, La.
 Mr. Wilson Williams, New Orleans, La.
 Mr. Edward A. Woods, Pittsburgh, Pa.
 Mrs. Edward A. Woods, Pittsburgh, Pa.
 Miss Marjorie Woods, Pittsburgh, Pa.
 Mr. Edward Wallis Woods, Pittsburgh, Pa.

To Fight Rebating in New York.

In an effort to put an end to rebating and other unlawful practices with which life underwriters are confronted, members of the New York association have engaged John Kirkland Clark to prosecute offenders. Mr. Clark was formerly Assistant District Attorney of New York and has established a reputation throughout the State as a graft hunter.

The association has empowered Mr. Clark to conduct a systematic hunt for necessary evidence and to begin immediate proceedings against anyone found violating the rebate law. In conjunction with this activity he will advise the association along legislative and other points that come up from time to time.

Should Arouse Curiosity.

A life insurance man ought to whet the edge of curiosity not only at the beginning of an interview, but all along the line. Even when he is known to the prospect, he should state his business in such a manner as to retain all the tactical advantages for himself. The finest art should be applied to the presentation of the proposition. The prospect should be made to feel his need of life insurance without his knowing just what it is that will supply the need until the critical moment of closing arrives.—System.

New associations recently organized which will affiliate with the National Association.

Recently several prominent life underwriters marched through Texas in the interest of the National Association, but Hubert H. Ward, of Portland, general agent for the Pacific Mutual, and William Dwight Mead, representing the Pacific Mutual in Seattle, decided to go their Southern brothers one better.

They flew through the great Northwest in eight days and eight nights. During their trip they landed in Butte, Boise and Spokane, where they succeeded in organizing new associations, thereby gaining new trenches for the National Association.

Butte.

In Butte they rounded up 35 prominent underwriters for the charter membership of the new association. The new body was organized at a banquet held at the Silver Bow club on April 14. After addresses by Mr. Ward and Mr. Mead the local underwriters voted to form a permanent organization and to affiliate with the National Association. It is also expected that they will adopt the model constitution and by-laws.

W. D. Fenner was elected to the presidency of the new association. Among the other officials chosen were: A. T. Morgan, first vice-president; C. E. Meagher, second vice-president; Horace J. Merkle, secretary-treasurer; Homer Bostwick, A. T. Morgan, C. E. Meagher and W. D. Fenner, Executive Committee; Homer Bostwick, H. J. Merkle, W. D. Fenner, J. R. Moyle, L. J. McLenegan, A. T. Morgan, C. E. Meagher, M. W. Pander and S. M. Swab, board of directors.

At the next meeting the association members will take up the institutional advertising movement.

Boise.

According to the local press the 28 underwriters who gathered at the Owyhee Hotel in Boise on April 13 were treated to a few professional thrills which were not included in the bill of fare. The local reporters, however, were referring to the speeches made by Messrs. Ward and Mead.

Following the banquet a special committee was appointed by the chairman to consider plans for permanent organization. It includes W. B. Harmon, E. J. Phelps and E. A. Crooks.

Spokane.

When Messrs. Ward and Mead landed in Spokane they were met by Guy Withers, representing the Equitable at Seattle, and C. C. Thompson, agency superintendent for the Metropolitan at Seattle, who assisted them in the formation of the Spokane association.

The banquet was held in the Elizabethan room at Hotel Davenport on April 16 and was attended by 40 of the most prominent local underwriters.

Mr. Ward opened the oratorical bombardment with a talk on association work and its benefits. He outlined the history and achievements of the National Association. This was followed by Mr. Withers' talk on the educational features of the association movement. Mr. Thompson discoursed on the harmony between the insurance departments and the National Association and the benefits therefrom, while Mr. Mead concluded by outlining the results achieved by the Puget Sound association.

Following their decision to organize and affiliate with the National Association the underwriters honored H. Cole Evans, local superintendent for the Metropolitan, by electing him to the presidency. J. Preston, of the Prudential, was elected first vice-president; C. A. McCoy, of the Equitable, second vice-president, and H. R. Fenstamaker, of the Central Life, secretary-treasurer.

Our "live-wire" members from the Pacific also visited Helena, Mont., where they found very unharmonious conditions among the underwriters. After calling on the principal underwriters in that city they were assured that an endeavor would be made to "bury the hatchet" and also to eradicate the existing jealousies and malicious competition.

In addition to the visits already mentioned Messrs. Ward and Mead stopped at Pocatello, Ida.; Great Falls and Bozeman, Mont., and Walla Walla, Wash., where they made an effort to round up the leading life underwriters. They were gone from their homes eight days, six nights of which were spent on sleeping cars. It was indeed a strenuous week of campaigning, but they were justly rewarded for their efforts in the interests of the National Association.

To Prepare New Mortality Table.

One of the most vital subjects of recent years to the life insurance interests of this country is the proposed adoption of a new American mortality table. Critics of the American Experience Table, in use since 1868, declare that it has outlived its usefulness.

Three years ago a committee was appointed by the Actuarial Society of America to prepare a new table. At the recent meeting of the executive committee of National Convention of Insurance Commissioners a committee of five was appointed to co-operate with the Actuarial in the preparation of the new table. The question will come up at the annual meeting of the Actuarial Society, May 20-21. The following resolution was recently adopted by the Insurance Commissioners, executive committee:

"WHEREAS, At the 1914 meeting of this Convention at Asheville, N. C., the Committee on rates of mortality and interest submitted a carefully prepared report in which the mortality experience of eighteen American life insurance companies for a series of years was set forth as the basis for the conclusion: 'That the mortality table which is at present used as a standard in the several States, does not represent the true mortality experience of the several companies,' and

"WHEREAS The result of the protracted labors of a joint committee of medical examiners of life insurance companies and members of the Actuarial Society of America covering the actual experience of forty companies of the United States and Canada for a period of twenty-four years, and having under observation three millions of lives, conclusively proves that mortality has materially improved since the tables of mortality now in use were constructed;

"THEREFORE, BE IT RESOLVED, That a special committee of five to be composed of department actuaries, be appointed to co-operate with the Actuarial Society of America in the construction of a mortality table which is in keeping with the ascertained experience of American companies, and report thereon at the September meeting of the convention."

What the Local Associations Are Doing

Life Association News has no paid correspondents. We depend entirely upon the secretaries of local associations to send us stories of all meetings of their respective associations. If an account of the last meeting of *your* association does not appear in this department, ask the secretary of your organization why he did not send us the particulars.

Immediately after each meeting, on the same day if possible, secretaries of local bodies should send us a full account of the business transacted, *including copies of all speeches*, or extracts from the most important of them.

Akron.

The meeting of the Akron association was held on April 14. Outside of the regular routine business very little was accomplished with the exception of appointing delegates to the coming National Convention.

Atlanta.

The monthly meeting of the Atlanta association was held at the Winecoff Hotel on May 6. The feature of the meeting was the address of J. E. C. Pedder, local superintendent for the Bradstreet Company. He spoke on "Business Life Insurance—A Business Builder and Protector."

Another address of interest was made by William F. Upshaw of the Ætna. The subject upon which he discoursed was "What Should the Association Mean to Its Members?"

Excerpts from Mr. Pedder's speech follow:

"Credit is the basis on which the entire business of the world is conducted. Wherever a condition of settled order marks a sure extension of the sphere of civilization, you will find reflected, as in a mirror, the standing of the community in its credit facilities. The more stable the economic life the higher the credit."

"The importance of insuring the lives of the leaders of a business enterprise for the benefit of those who will be sufferers, should the guiding and controlling hand be removed by death, is incontrovertible. The death of an active executive officer of a corporation, member of a firm, or head of any industry or enterprise, by whose ability and individuality the business policy of a concern has been successfully demonstrated, by his tact in handling men, his diplomacy in keeping the organization harmonious and efficient, and by his success in obtaining the necessary facilities to build up and maintain credit, would undoubtedly place the business in a more or less unsettled condition."

"To tide over the shock following such a calamity, to provide for the finding, installing and training of his successor, or for the easy liquidation of the business; or, should neither of these become necessary, an inflow of cash money would have a most gratifying result and steadying effect on the minds of creditors and associates during the reorganization period. Business life insurance would immediately provide the means to do this, and be a safeguard against any temporary loss from the crippling, at least for a time, of its efficiency and earning power. Again, business life insurance is one of the most acceptable kinds of collateral to banks for loans, especially so when the policy is made payable to the bank in case of death."

"The credit of a concern may be most firmly established, but when business life insurance is carried for the benefit of a corporation or partnership, it is recognized in the mercantile community as a most strengthening factor in the increased confidence it establishes, and is in this way reflected in our reports. Credit is one of the most delicate things in the world; even a breath or whisper may demolish the work of years. Every concern, big or little, where the interest of creditors is at stake, should place every safeguard around it."

Bluegrass.

Institutional advertising was the principal topic of discussion at the recent meeting of the Bluegrass association held in Lexington on May 7. The session was held in the Board of Commerce rooms. George W. Johnson led the discussion. He was followed by Harry Staples, president of the association, Edwin L. Quarles, secretary of the Lexington Board of Commerce, W. P. Averitt, Henry K. Milward, A. B. Gardner, Joseph Robinson and W. Logan Sherer.

While no definite plans for an education and publicity campaign were taken there was a consensus of opinion in favor of it. The association voted to seek advice and co-operation from the National Association.

Buffalo.

More than 100 members attended the annual banquet of the Buffalo association held on April 30. Frank Hasbrouck, superintendent of insurance of New York, was the principal speaker. Mr. Hasbrouck outlined the progress made towards betterment of insurance conditions in this State since he was appointed to office. He gave New York credit for the best organized insurance department in the country.

James V. Barry, assistant secretary of the Metropolitan Life, was called upon. Mr. Barry ranks with other well-known insurance humorists and kept the local underwriters in good humor with his witty sallies.

The local association is in a flourishing condition. The officers are: Percy G. Lapey, president; D. W. Cherrier and C. F. Adams, vice-presidents; J. N. Douglas, secretary-treasurer.

Capital District.

Members of the Capital District association, comprising life underwriters from Schenectady, Troy, Albany and other near-by cities, held an enthusiastic business meeting at the Mohaw Club, Schenectady, on April 22. There were about 75 agents and guests present at the banquet.

The Hon. James H. Callanan, editor of the *Schenectady Union-Star*, was the first speaker to be called by W. B. Phelps, president of the association, who acted in the capacity of toastmaster.

Mr. Callanan spoke particularly on conservation and urged in addition to the conservation of natural resources, the conservation of human life.

Chancellor Charles Alexander Richmond, of Union University, declared providence to be a national sin. It is one of the weaknesses of American life, he continued, and I'm sorry that it is not practical to get the insurance companies to insure our country against this great weakness, as a whole.

Joseph C. Behan, of Springfield, Mass., director of agencies for the Massachusetts Mutual, spoke upon the higher ideals of the insurance business.

The plan to holding all meetings at noon in future, as other associations are doing, met with approval. Unusual interest was manifested in the report of the committee on education and publicity which told of the series of lectures now being given at the Albany Business College, Eastman Business College and Poughkeepsie, and at Rochester University.

The concluding lecture before students of the Albany Business College was given on April 23, by S. G. Landon. He spoke of "The Various Forms of Policy Contracts."

Chicago.

Hugh M. Willet, president of the National Association, was the guest of the Chicago association at a luncheon given at Hotel La Salle on May 7. Mr. Willet, however, arrived just in time to witness one of the liveliest meetings in the history of the local association.

There was a spirited contest over the proposed adoption of resolutions dealing with rebating and part-time men, recommended by a special committee appointed at the last meeting. Not in several years has there been such a factional fight waged by members of the Chicago association. The adoption of the resolutions recommended, it was understood, would mean a split in the organization.

Prior to the introduction of the proposed resolutions R. W. Stevens, president of the Illinois Life, presented other resolutions providing for a much more drastic enforcement of the various provisions of the anti-rebate law, including a series of questions to be answered monthly by members covering possible violations.

Finally, however, the meeting adopted two resolutions asking the Insurance Department to impose more rigid requirements in the issuance and renewal of agents' licenses.

President Willet confined his brief speech to a message of congratulation from the National Association to the largest local association which now has a membership of 305. Mr. Willet urged a liberal attendance of Chicago underwriters at the coming National Convention.

Cincinnati.

Hugh M. Willet, president of the National Association, visited Cincinnati earlier than had been intended. According to tentative arrangements he had planned to pay an official call to the Cincinnati association in June, but owing to conflicting dates the local underwriters arranged for his reception at the May meeting which was held on the 5th inst.

Mr. Willet spoke on association matters and urged the local association to send a large deputation to the coming National Convention.

Colonel John L. Shuff, postmaster of Cincinnati, spoke of

"Salesmanship" and gave one of his usual humorous talks. Charles Hommeyer, superintendent of agencies of the Union Central, spoke on "Fishing." Henry J. Powell, a former president of the National Association, also delivered a brief address on "The Value of Organization." There were about fifty members and guests present.

Cleveland.

C. M. Lemperly, advertising manager for the Sherwin-Williams Company, was the principal guest and speaker at the meeting of the Cleveland association held in the Chamber of Commerce on April 12.

The speaker declared that he could not instruct the life insurance men as to how they should conduct their business, but that he would outline a selling campaign for a concrete article and that the agents could then draw conclusions as to how it might be applied to their business. The subject of Mr. Lemperly's discourse was "The Salesman's Automatic Side-Partner."

A. D. Hatfield, president of the association, presided at the banquet, at which there were 56 persons in attendance. Seven new members were admitted and the delegates to the National Convention selected.

Columbus.

Resolutions condemning the payment of commissions to "pluggers" and "helpers" were unanimously adopted by members of the Columbus association at its regular meeting on April 9. This evil practise has been rife in Columbus and the local association will exert itself to eradicate it as nearly as possible. The following resolution was mailed to practically every life underwriter in the city:

"No remuneration shall be paid to any person or persons for procuring or helping to procure applications for life insurance, except to duly authorized agents. The practise of employing 'pluggers' and 'helpers' is, it is felt, demoralizing to the business of life insurance. In many cases the sum paid to the helper finds its way immediately to the pocket of the buyer of insurance. We believe the life insurance agent is worthy of his hire, and that there is no more reason why a life insurance man should divide his commissions with those who send him business than that an attorney or a physician should divide his fees, under similar circumstances. A strict observance of the above law will tend to elevate our business to the plane of a profession, and will be of great and lasting benefit to each and every life insurance agent."

At the request of the local association the Rev. Dr. J. W. Day, of the First Presbyterian Church, delivered a special sermon on "Life Insurance." Special reservations were made for all local underwriters who attended in a body.

Connecticut.

The regular meeting of the Connecticut association was held at the Algonquin Club on April 13 with Maximillian Stein, president, presiding.

Thomas W. Russell, of Hartford, spoke upon "The Disability Clause, Co-partnership and Corporation Insurance." Mr. Russell's speech was followed by a general discussion on the subject in which Clayton W. Wells, Lee C. Robins, L. C. Slayton, George W. Green, C. E. Stockder, John W. Moore and George D. Neagle participated. Delegates to the New England Congress were appointed. Dwight G. Holbrook, chairman of the Committee on Education and Conservation, reported on the progress of the movement in the State. The next meeting will be held at Waterbury in May.

Dayton.

The progress made by the Education and Conservation Bureau of the National Association was commended by members of the Dayton at a meeting held on April 12 at the Algonquin Hotel. In a few minutes the association raised more than \$400, which will be used in carrying on a local campaign.

Millard W. Mack, who represents the Northwestern Mutual at Cincinnati, spoke of the work which is being done by the National Association. He also delved deeply into the ethical side of the profession.

Judge Roland W. Baggott of the local Probate Court spoke very frankly upon the relationship of life insurance to probate matters.

H. W. Lyndall, president of the local association, was design-

nated to serve as a member of the advisory committee of the State association, a tentative organization. The representatives of the various associations will meet in Columbus on April 30. The association voted to extend an invitation to Hugh M. Willet, president of the National Association, to visit Dayton in June immediately following his visit to Cincinnati.

George Burba, editor of the Dayton *Daily News*, was the principal guest and speaker at the luncheon given by the association at the Algonquin Hotel on April 26. He reviewed the proposed educational campaign from the journalist's standpoint. Mr. Harrington, advertising manager for the same publication, outlined tentatively the costs for the campaign.

Detroit.

Owing to illness Edward A. Woods, of Pittsburgh, general agent for the Equitable, was unable to attend the regular monthly meeting of the Detroit association on May 3, where he had been booked as the principal speaker. Carl A. Secoy, assistant manager of agencies of the Phoenix Mutual, happened to be in the city and was invited to take Mr. Woods' place. He delivered an impromptu address on "The Composite Salesman." He declared that, although some good work has been done along that line there is still need for vast improvement. The former method employed by various companies was to get men of some experience, but now men entirely new to the business are taken on and trained.

Dr. J. M. McIndoo, superintendent of the Ford Republic, gave an interesting talk explaining the work carried on by that institution. The Republic has accommodations for about sixty boys. Dr. McIndoo invited the association to visit the institution in the near future.

It was announced that Mr. Woods would address the Detroit Board of Commerce within the present month.

District of Columbia.

Hugh M. Willet, president of the National Association, was the guest of honor at what is claimed to be the most notable banquet ever held under the auspices of the District of Columbia association. It took place in the New Willard Hotel on May 1. Among the other notables present were Ernest J. Clark, of Baltimore, former president of the National Association; Charles F. Nesbit, superintendent of insurance for the District of Columbia; John Dolph, an ex-president of the National Association, and E. M. Crutchfield, president of the Richmond association.

George C. Jordan, president of the local association, presided as toastmaster. There were about 70 underwriters and guests present.

President Willet discussed the growth of the National Association and the work it was doing towards educating the general public as to the value of insurance, and as to the rising standard of the business. He urged those present to send a large deputation from Washington to the coming National convention to be held in San Francisco.

Mr. Nesbit spoke on the question of taxation in connection with life insurance. He strongly advocated the adoption of the "single tax," the tax based entirely upon real estate, as a remedy for all existing evils in taxation. He emphasized the fact that if insurance companies, policyholders and beneficiaries wish to have life insurance relieved of taxation they must find a substitute to bear the taxation.

Mr. Clark referred to the educational campaign which is being carried on by the National Association. He also impressed upon the local underwriters that it was their duty at all times to safeguard the interests of their clients and their beneficiaries by advising them honestly and correctly as to the kind of insurance which would best benefit their needs.

The dinner also brought to a close a successful membership campaign. The committee in charge of the banquet was composed of Holcomb C. Johnson, Orville B. Brown, W. D. Cronkhite, Guy Livingston and Eugene Adams, secretary of the association.

Eastern Maine.

The regular monthly meeting of the Eastern Maine association was held at the Penobscot Exchange Hotel, Bangor, on April 30. Merton H. French was the principal speaker. He delivered an address on "Insurance in the Schools." Practically every

member of the local association was present. In the absence of President Leroy Jordan, Lawrence Rooney presided.

Among the other speakers were F. W. Burrell, superintendent of the Brewer High School, Fred Hayes, E. H. Kelly, Arthur Grindle and Don Higgins. Among the members who participated in various discussions were Lawrence Rooney, J. F. Chaison, C. R. Dunton, L. F. Higgins, Joseph Taylor, H. W. Bowles, R. M. Taylor and N. H. Herbert.

Erie County.

Pending legislative matters arrested the attention of members of the Erie County association which held its regular bi-monthly meeting at Erie on April 24. The association voted to support the proposed House Bill No. 1351 which proposes to exempt from claims of creditors annuities not exceeding \$100 a month.

Fort Dodge.

Members of the Fort Dodge association held a lively session on May 1. Following the regular routine of business a general discussion upon "Methods of Closing the Prospect." E. E. Larson was the principal speaker. He was followed by other members who related several interesting experiences.

Grand Rapids.

Members of the Grand Rapids association held their monthly meeting on May 1. Plans for the launching of an educational and publicity campaign were discussed at length. The plans were further discussed at a special meeting of the Executive Committee on May 8. It is proposed to carry educational reading matter once a week in the local publications.

A. D. Swain, local manager for the New England Life, and William J. Olive, manager for the Franklin Life, were the principal speakers. The regular meetings were discontinued until the first Saturday in October.

Indiana.

United States Senator Lawrence Y. Sherman, of Illinois, W. E. Bilheimer, agency inspector of the Equitable at St. Louis, and Colonel John L. Shuff, postmaster of Cincinnati, three of the leading insurance apostles of this country, extolled the business of life insurance before a gathering of more than 300 underwriters at Hotel Claypool, Indianapolis, on April 26. It was without question the largest and most enthusiastic gathering ever held under the auspices of the Indiana association.

As an added attraction Charles W. Fairbanks, former vice-president of the United States, attended for the expressed purpose of introducing Senator Sherman. Mr. Fairbanks paid an eloquent tribute to the Illinois Senator's qualities as a statesman. Senator Sherman was referred to as the champion of insurance in national legislation—a leader for which the insurance interests of this country have long been in need of.

Senator Sherman spoke in part as follows:

"The tax gatherer will be with us to the end of time," he said, coming to his subject, "as long as we have a civil government to support." But much taxation is unjust, as an example of which he cited the fact that the first place the average legislature strikes for when an increase of tax revenue is needed is the life insurance business. "Everybody is in favor of taxing the life insurance companies." In this way has developed the system of collecting through State insurance departments sums vastly in excess of what is needed to administer the departments. He discussed section two of the United States Income Tax law and recounted the difficulties encountered during a three months' fight in hot weather to prevent the enactment of a provision in the law that so-called but misnamed "dividends" from life insurance be regarded as taxable income. That the defeat of this unfair proposition was finally accomplished he attributed to the fact that the contest became a non-partisan affair. He gave particular credit to Senator Simmons, of North Carolina, chairman of the committee on finance, for effective work after he became convinced of the justice of the effort.

But the States still have the power to tax to the limit and they are largely exercising this power unfairly. The falsity of the theory that the tax burden is reduced by placing so large a share of it upon insurance he demonstrated clearly, but, on the contrary, it really puts it where it least of all should be. "Laws should be made to encourage and not discourage life insurance," he declared emphatically. Insurance companies should be taxed on their property as others are taxed but they should

not be subjected to what is practically a license tax similar to the saloon license.

"The writing of life insurance in the United States is as yet an undeveloped field," he said. There were 10,000,000 ordinary life policies in force in 1915, he said, and 100,000,000 people in our country. "Don't let any beginner in the business or any man who has been in the business for years slacken his effort in striving to bring this proportion up to the figure it should be," he said. The demand for fire insurance, burglarly insurance, tornado insurance, marine, liability and other branches to the protection of material property is insistent upon the ground of required protection of credit. How much more important then it is, he pointed out conclusively, that the brains at the head of a business establishment be protected by life insurance as a certificate of credit and assurance that the business will not suffer serious reverses in event of the death of its head.

The great need of life insurance for the protection of the home and the family after the death of the provider, he also disclosed by some statistics which he recently compiled from the United States census report, the gist of which were to the effect that there are in this country more than 100 per cent. more widowed women than there are widowed men.

Reverting to the income tax he expressed himself as being in favor of an amendment to the present law by which all payments on life insurance premiums shall be exempted from the tax. Senator Sherman not only bears a striking resemblance to the pictures of Abraham Lincoln, but he bears out the resemblance in his manner of speech and telling choice of words. From his lips the assumed dry subject of taxation was transformed into an interest-compelling topic which held the closest attention of every member of his audience.

Mr. Bilheimer is acknowledged to be one of the most eloquent speakers in the profession. Upon a special request from the committee in charge of the banquet he spoke upon a subject which he has made famous, "Investing a Life."

The program was arranged with all the skill of a variety booking agent. Senator Sherman presented the logical side of life insurance, while Mr. Bilheimer's assignment was dramatic. Knowing that comedy and the humorous side of the business was an important factor the committee booked Colonel Shuff. "It Pays to be Cheerful and Enthusiastic" was the text to which he was assigned and he faithfully proceeded with his part in the entertainment.

Edward H. Young, president of the local association, officiated as toastmaster.

Iowa.

Those who survived their "cabbage" dinner made their appearance at the regular meeting of the Iowa association held at the Grand Club on April 30, in Des Moines, none the worse for their defeat and diet. At any rate the Iowa association is now in a flourishing condition as a direct result of its strenuous membership campaign.

Henry S. Nollen, vice-president of the Equitable of Iowa, was the principal speaker. He spoke on "Monthly Income Insurance."

"I believe it to be the most perfect form of protection for the family that has ever been devised," he said. "The company acts as a trustee and is in much better position to much more safely invest the money than the average widow or beneficiary."

J. A. Blum gave an interesting review of association work during the previous month. Mr. Blum, with M. M. Deming and many other local underwriters, journeyed to Waterloo on May 7 to assist in the organization of a new association at that place.

Kalamazoo.

The regular meeting of the Kalamazoo association was held at the Park American Hotel on April 15. J. V. Fair, former Commissioner of Insurance of Michigan, was the principal speaker. He spoke on recent legal enactments which have to do with life insurance. The executive committee was authorized to map out the coming year's work in advance. This, it is believed, will greatly facilitate the consummation of the various campaigns which the association intends to launch.

Kansas City.

A resolution deprecating the issuance of low rate competitive

AN UNUSUAL SERVICE!

Dear Bill:

I never knew until recently what splendid opportunities there were to render a great service to the world, and in doing it, make a good living. An unusual sales service and education is offered by a Company which is seeking high grade salesmen. Why don't you look the matter up? It really makes Life Insurance mighty attractive as a profession.

Yours,

Jack.

P. S. By the way—I nearly forgot to tell you it's

The Phoenix Mutual Life Insurance Company

OF HARTFORD, CONN.

JOHN M. HOLCOMBE, President

policies by various companies was unanimously adopted by members of the Kansas City association at the meeting held on April 24. The general discussion brought out the fact that local agents feared the evil effect of these policies upon insurance in general and upon the insuring public.

While some of the discussion was spirited even the agents representing companies who issued these policies were heartily in favor of their abolition. The announcement that the New York Life has withdrawn its low rate policy was received with enthusiasm.

Knoxville.

The regular meeting of the Knoxville association was held on April 24. Unquestionably the most important topic discussed at the meeting was the proposed fight on unjust taxation. A resolution was unanimously adopted authorizing the Law and Taxation Committee to have printed a large quantity of circular letters on the "Taxation of Life Insurance Premiums." An effort will be made to circularize practically every insured person in the state.

Another resolution, which has to do with vicious competition, was adopted. The association voted to oppose interference by any member with any life insurance deal where the application has been signed and the premium received.

Dr. H. P. Coile, president of the Anti-Tuberculosis Society, was the principal speaker. He solicited the co-operation of the association in the promotion and erection of a tuberculosis hospital to be built near Knoxville.

Lansing.

At a meeting of the Lansing association held in the Chamber of Commerce on April 12 it was unanimously voted to affiliate with the National Association. The principal address was made by James V. Barry, assistant secretary of the Metropolitan Life. He spoke at length in the interests of the National Association. State Representative Jerome, of Hillsdale, also made a brief speech in which he lauded the clean methods of association members. Among the other speakers were Guy Bronson, J. H. Hawks,

J. Arthur Pino, J. E. Walker and S. E. Stouffler, president of the local association.

Lincoln.

Resolutions were adopted by members of the Lincoln association at the regular meeting which was held on April 3 seeking the co-operation of the State Insurance Commissioner in the elimination of incompetent agents in the State. In a letter to the commissioner the local association urged him to care in the issuance of licenses. The communication brought a prompt reply in which the commissioner heartily commended the Lincoln association for its attempt to weed out the undesirables.

The following resolution was adopted:

WHEREAS, one of the chief objections in the mind of the average person to the business of life insurance is the ignorance or incapacity of the ordinary agent; and

WHEREAS, the Life Underwriters' Associations of this country are vitally interested in raising the morals of those engaged in our vocation; therefore, be it

RESOLVED, by the Lincoln Life Underwriters' Association that the Insurance Commissioner of Nebraska be requested to inquire very carefully into the character and ability of each agent before granting him a license for the year beginning May 1, 1915.

Madison.

Members of the Madison association held their first annual banquet at the Park Hotel on April 30. The entertainment was more of a social nature than the average underwriters' gathering. C. W. Kelly, of the Central Life, entertained with quotations from well-known poets. Short talks were given by C. L. McMillan, president of the association, and L. A. Anderson, formerly of the State Insurance Commission. Music was furnished by four members of the University Glee Club, T. G. Beeman, R. A. Zwemer, H. M. Halverson and J. H. Gill. The committee on arrangements was composed of Frank Weston, Jack Davies and R. C. Stevenson.

Memphis.

Gordon M. Anderson, local agency manager for the Phoenix Mutual, was elected president of the Memphis association at the

annual meeting which was held on April 26. The other officers elected were W. Gordon Erskine, of the Penn Mutual, vice-president; Joe M. Smith, of the Volunteer State Life, secretary, and James W. McKinney, of the Michigan Mutual, treasurer.

Splendid results have been obtained through the educational and publicity campaign carried on in the news columns of the Commercial-Appeal.

Special preparations are being made for the entertainment of Hugh M. Willet, president of the National Association, who will be the guest of the local association on May 10.

Minneapolis

The regular meeting of the Minneapolis association was held at the West Hotel on April 24. The proposed revision of the constitution was the principal topic of discussion. Recently a special committee was appointed to draft the new amendments, which are about twelve in number.

The most important amendment is the proposal that modified term companies be eligible for membership in the association. Another recommended that annual dues of special agents be \$7 instead of \$5. Another proposes to make a quorum for action on important matters consist of not less than fifteen members. Owing to the rather small attendance it was decided to defer the vote on the amendments until the May meeting.

Minnesota.

The Minnesota association held its regular monthly luncheon on April 12 at St. Paul. Charles E. Learned, Jr., who presided as toastmaster, introduced D. R. Schuler, of the Northwestern Mutual, as the principal speaker. The latter talked on "Selling Life Insurance." Among the members who participated in the general discussion which followed were Peter Zimmer, of the Prudential, B. F. Deters and J. C. Hunt. E. W. Randall, of the Minnesota Mutual, spoke on company investments.

Mississippi.

Members of the Mississippi association are jubilant over the results of the recent essay contest which was recently instituted by that organization. A handsome cup was offered for the best essay presented by a high school pupil on the subject of

"Life Insurance as an Evidence of Thrift." The cup was won by Miss Sarah Graves, of the Greenville High School. Second honors were awarded to Robert Yarborough, of the Winston County Agricultural High School, at Noxapater, while third place was won by Louis Goldman, of the Starkville High School. The cup will remain the property of the Greenville institution for one year, when it will again be entered for contest.

The contest has done much toward infusing into the minds of the younger generation the underlying principles of life insurance, and in many cases it stimulates interest among the parents as well. The result of the contest, as far as publicity was concerned, was beyond the expectations of the local underwriters who fostered the plan.

Nebraska.

The annual banquet of the Nebraska association was held at the Hotel Fontenelle, Omaha, on May 8. W. A. Smith, president of the local association, presided as toastmaster, introducing Mr. York as the first speaker. He talked on "Efficiency." T. R. Hill spoke on "Service" and A. H. Chambers on "Women as Agents."

The women were very much in evidence. The invitation committee invited the various cashiers and clerks of the local companies as well as the wives and friends of the members. The underwriters, quartette consisting of Messrs. Green, Hirth, McCarl and Haarmann contributed several musical numbers. The banquet was attended by representatives from almost every company doing business in the State.

New England Women's.

The monthly meeting of the New England Woman's association was held in the Equitable Building, Boston, on May 7, with Miss Lucy M. Morrill, vice-president of the association, presiding.

F. R. M. Benjamin, manager of the Sheldon School, was the principal speaker. He discussed "Success and How Attained." He emphasized the necessity of developing the positive qualities, ability, reliability, endurance and action. These he declared to be the fundamental principles of success in any line of human endeavor. The lecture was illustrated.

IMPREGNABLE

On December 31, 1914, Sun Life of Canada Assets totaled \$64,187,656—the largest amount held by any Canadian Life Company.

Over and above these Resources, the Company held Reserve Fund Assets valued at \$5,221,622 in September last by official examiners of the Insurance Departments of the States of Michigan and New York.

Assets have practically **doubled** in the past five years, have more than **trebled** in the past nine years and have more than **quadrupled** in the past eleven years.

Sun Life of Canada Policies

Are Safe Policies to Sell

H. W. DICKINSON, Manager, Philadelphia, Pa.
A. L. STEIN, Manager, Pittsburgh, Pa.
F. C. HOLBECK, Manager, Lansing, Mich.
E. E. WILKINSON, Manager, Port Huron, Mich.
E. W. OWEN, Manager, Detroit, Mich.
C. E. KREGLOE, Manager, Baltimore, Md.
N. D. SILLS, Manager, Richmond, Va.

**SUN LIFE ASSURANCE
COMPANY OF CANADA**
HEAD OFFICE—MONTREAL

New York.

The meeting of the New York association held at the New York Board of Trade rooms, at 203 Broadway on April 27, was a marked contrast to the three preceding meetings, in attendance as well as in discussion.

Associate Actuary Hall of the Mutual Life spoke on actuarial problems involved in the recent fight at Albany over the proposed amendment to Section 97 of the Insurance Law. Owing to the illness of R. M. Simons, secretary-treasurer, asked to be relieved of his official duties. O. S. Rogers, of the Phoenix Mutual, was elected to fill his unexpired term.

William F. Atkinson, chairman of the executive committee, was authorized to draw up plans for a membership campaign to be instituted in the near future. The matter of forming a State association was also discussed.

Lawrence Priddy, president of the association, called a special meeting of the campaign committee at the Lawyer's Club for May 12. It was attended by many prominent members of the association.

Mr. Atkinson, who was instructed to draw up plans for the campaign, reported and his plans were greeted with enthusiasm. He referred to a membership in the association as a citizenship in the life insurance profession.

In speaking on the subject of membership Mr. Priddy said that any man, no matter what line of business he is engaged in, should join the organization associated with his calling. It is well worth while to be able to touch elbows with the leaders of the business. He also stated that it was the duty of the underwriter to aid organized effort in relieving the policyholder from the burden of unjust taxation. He referred to the withdrawal of a competitive policy designated as "Policy 65" by the company which he represents, as being directly due to association activities.

George W. Johnston, of the Travelers, spoke of the value, in dollars and cents, of a membership in the New York association. Active men, he continued, cannot afford to stay out. He recalled the association activities in conjunction with the Armstrong investigation and stated that had it not been for the influence of the organization agents who are getting 50 per cent. commissions might be drawing only 25.

Julian S. Myrick, a former president of the association, prefaced his remarks with the adage, "In time of peace prepare for war." He discussed the influence of the association on legislative matters.

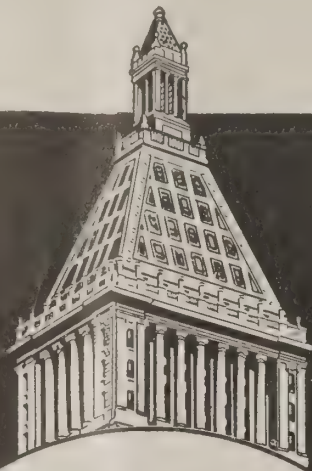
Chas. Jerome Edwards, twice president of the National Association and also a former president of the New York association, insisted that what you get out of the association is what you put in it. He explained that of the \$5 per capita collected for annual dues, \$2 was remitted to the National Association. For his the agent receives LIFE ASSOCIATION NEWS, which he considered the most practical, most helpful and most influential life insurance publication in the field. He claimed that the National Association's influence extends farther than any other organization of its kind. Mr. Edwards also referred to the progress made by the Education and Conservation Bureau and the coming text book of "Life Insurance" which is being compiled by Dr. S. S. Huebner, of the University of Pennsylvania.

The ten captains appointed by Chairman Atkinson are as follows: Chas. Jerome Edwards, for the Equitable; T. R. Fell, for the Massachusetts Mutual; George W. Johnston, for the Travelers; Julian S. Myrick, for the New York Mutual; E. W. Allen, for the New England Mutual; E. M. Carroll, for the Northwestern Mutual; S. S. Voshell, for the Metropolitan; Lawrence Priddy, for the New York Life; L. L. Hopkins, for the Travelers, and R. W. Goslin, for the Prudential.

The launching of the membership campaign was both auspicious and enthusiastic. One of the captains announced that he had the jump on his contemporaries by having already secured twelve applications for membership. The captains will report on Saturday of each week and bulletins will be issued on each succeeding Monday. Mr. Priddy closed the meeting by expressing his desire to see the local association bring home the Chas. Jerome Edwards Membership Trophy from the San Francisco Convention.

North Dakota.

The North Dakota association held its regular meeting in the Commercial Club at Fargo on April 17. Dr. L. T. Guild was



Established 1867

In the Spot Light

The increasing insurance knowledge and interest, manifested on the part of the public, is focusing attention today on questions of *Company, Contract and Cost.*

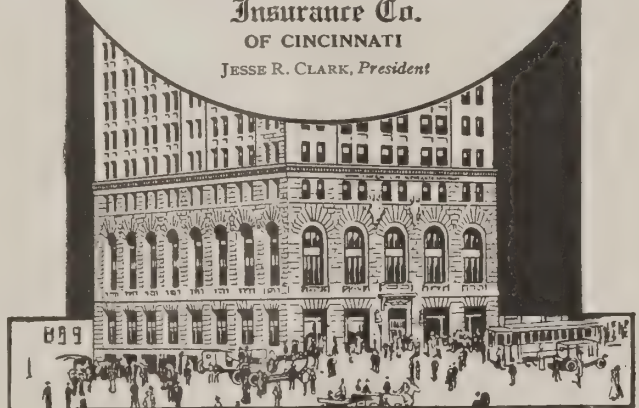
The strength and security of company; care and skill in selection of risks and investment of funds; attractiveness of policy provisions; standard of service rendered; and last but not least, the "low net cost," are all pertinent questions.

How the sum of these considerations can be secured is interestingly told in an attractive booklet, entitled "The Choice of Company." Copy on request.

Address, ALLAN WATERS, Supt. of Agents.

**The Union Central Life
Insurance Co.
OF CINCINNATI**

JESSE R. CLARK, President



**THE UNION CENTRAL LIFE
INSURANCE COMPANY,
Cincinnati, Ohio.**

Kindly forward copy of Annual Report and booklet entitled "The Choice of Company" to

Name

Street

City

State

The Life Association News.

the principal speaker at the meeting. He paid high tribute to association work and the efforts to standardize the profession. He spoke of the world-wide conservation movement and the results which were being achieved.

One of the most important discussions was that of proposing a uniform financial application for the banking firms of the State. It is proposed to co-operate with the financial institutions in North Dakota with a view to incorporating several questions as to the form and amount of life insurance carried by those who apply for credit.

It was stated that some of the banks do make inquiries of this nature, but that it would be to the best interests of all concerned if uniformity of inquiry was adhered to in this matter.

North Texas.

The regular meeting of the North Texas association was held at Dallas on April 10. Dr. John L. Davis, of Waco, medical director of the Amicable Life, was the principal speaker. He spoke on "Medical Selection." Several agents were elected to membership. They were John T. Murphy, of Fort Worth, Reserve Loan Life; A. F. McCord, of Dallas, Southwestern Life; Lila Baxter, of Dallas, Kansas City Life; Leroy Nicholson, of Ballinger, Federal Life, and Lee Stout, of Fort Worth, Reliance Life.

Oklahoma.

Members of the Oklahoma association held a luncheon on April 5. Tentative arrangements were made for the launching of a membership campaign. Several of the members discussed the plans adopted by other associations in rounding up the life underwriters.

Pittsburgh.

Life insurance history was recorded at the annual banquet of the Pittsburgh association held at Hotel Schenley on April 26. At the conclusion of the banquet each person present, and there were 428 in all, was requested to write the total amount of insurance carried on a card which had been printed for that special purpose. Of the 428 present 331 persons carried insurance on their lives to the extent of \$19,529,283, or an average of \$59,000 for each insured. These figures would show a general average of \$45,629 for each person present.

At the guests' table there were found men representing nearly every line of human endeavor. Preceding the banquet a special reception was held for the many insurance company officials present and lay guests. Among the company notables present were: A. E. Childs, of Boston, president of the Columbian

National Life; Walter F. Hawkins, of Pittsfield, vice-president of the Berkshire Life; R. O. Lamb, of Boston, president of the John Hancock Company; Jesse R. Clarke, president of the Union Central of Cincinnati; William C. Baldwin, president of the Pittsburgh Life & Trust; Charles E. Wheeler, medical director of the State Mutual Life; Walter Le Mar Talbot, of Philadelphia, president of the Fidelity Mutual; William H. Kingsley, vice-president of the Penn Mutual; Thomas J. Moore, of the Provident Life & Trust of Philadelphia; Frank Bushnell, of Hartford, secretary of the Aetna Life; W. W. McClench, of Boston, president of the Massachusetts Mutual; J. C. Cummings, of Des Moines, president of the Equitable of Iowa, and B. H. Wright, of Worcester, Mass., president of the State Mutual Life.

When the guests had all taken their allotted places the invocation was pronounced by the Rev. Warren L. Rogers, rector of Calvary Episcopal Church.

C. K. Brust, president of the local association, then delivered a short address during which he introduced H. D. W. English as toastmaster. In opening his address Mr. English informed those present that the head table alone represented more than \$1,500,000,000 of capital and surplus and more than \$6,500,000,000 of insurance in force. The companies represented by these insurance officials paid out more than \$160,000,000 during 1914.

Preceding the speaking the toastmaster read several letters of regret from notables who were unable to attend. Among them were Hugh M. Willet, president of the National Association; W. A. Day, president of the Equitable; John R. Hegeman, president of the Metropolitan; S. C. Dunham, president of the Travelers; F. F. Dryden, president of the Prudential, and others.

The principal speakers were Sherman C. Kingsley, of Chicago, director of the McCormick Foundation, and Raymond Robbins, also of Chicago. Both speakers are nationally prominent in social welfare work.

Mr. Kingsley, speaking on "The Conservation of the Individual," said in part: "No one who is familiar with the objects and aims of insurance can fail to appreciate that insurance companies are themselves among the greatest and most constructive of social service agencies in the world. Among the policyholders there are millions of people of moderate means who, on account of their consideration for those dependent upon them, save and look out for their future. This itself is of the very essence of social service work."

"Much of mortality, sickness and inefficiency is entirely gratuitous. We lose in this country something like 300,000 babies annually before those babies are one year of age—some

Purely Mutual

The

Chartered 1857

Northwestern Mutual Life Insurance Co.

MILWAUKEE, WISCONSIN

GEO. C. MARKHAM, President

INSURANCE IN FORCE, \$1,365,299,749

SATISFIED POLICYHOLDERS to the number of 11,613 (out of 43,541 applicants) applied for \$54,587,290 of additional insurance in The Northwestern during 1914.

NORTHWESTERN POLICIES are easiest to sell and stay longest in force.

Mortality 55.87%. Interest 4.97%. Expense 10.53%.

AGENTS PROTECTED by enforced No-Brokerage and Anti-Rebate Rules.

INCOME INSURANCE
CORPORATION INSURANCE
PARTNERSHIP INSURANCE

It Will Pay You to Investigate Before Selecting Your Company

Write to **H. F. NORRIS**, Superintendent of Agencies
MILWAUKEE, WISCONSIN

LARGE "DIVIDENDS"
LOW COST
SERVICE POLICY

thing like three times as many babies as have any business to die. In the ranks of babyhood, the diseases which have snuffed out the life of every sixth child have left many others with weakened constitutions and resistance. So far in this country being a baby has been one of the most hazardous pursuits in the world. Then we lose about 150,000 people from tuberculosis in a year.

"We have health facts and health material enough to save the world. In the baby field we know exactly how to prevent blindness and how to save life.

"In January, 1914, there were 29,431,756 industrial policies in force in the United States, as well as 8,774,653 regular policies. This takes no account of insurance by the benefit associations in the great industries. Already many and perhaps all the insurance companies are preaching the gospel of health, not only to their policyholders, but through them indirectly to others. I wonder, however, if they are meeting the gigantic responsibilities inherent in the scope of a business that totals over 40,000,000 policies.

"Why should not some committee or group, representing all the companies, make it their business to select from this mass of information the most vital, appealing and epigrammatic life-saving facts and health hints to be found in health departments, in the office of charitable associations, medical associations and in-

surance offices? Why should they not work these up into paragraphs de luxe, into a sort of Ten Commandments or the beatitudes of life, and furnish these in attractive forms to be sent through the mails and given currency by this enormous circulatory system already in operation, reaching people by the millions? The envelopes are addressed, the stamps are licked and the envelopes loaded. Why not give these life-saving facts—convey to the people who need them? I believe that this is one thing which could be done far more extensively than is done at the present time. When the insurance office can say, on the basis of experience and fact, that even a steady but moderate drinker is only a 90 per cent man—when insurance records can tell you that wild oats at 21 means tame old men or funerals at 50 or 60, it is a pity that the youth of the land should not have this information in time.

"The actuary and the employing agent of big concerns, shall we say, have taken the place of the Sunday school teacher and the preacher as moral instructors? No, I think we would rather say that they are supplementing in that teaching. The actuary tells you, on the basis of fact, not that if you would be good you would be happy, but if you will be healthy you can get a job and stand up like a man and take your place in the world. There never was a time when people needed health and efficiency more than today. It is the day of the 100 per cent man."

The Equitable Makes Experts of Its Agents

Nowadays the successful life insurance salesman must be a thoroughly trained expert, and the success and prosperity of the agents representing

The Equitable Life Assurance Society of the United States

has been largely due to the fact that the company recognizes the importance of educating its field workers.

The salesmen connected with every Equitable agency are carefully trained and assisted. Among other things,

A Correspondence Course in Life Insurance

is conducted by one of the senior executive officers, for their thorough instruction.

This course consists of 3 preliminary lessons (which may be taken by outsiders) and 27 Regular Lessons (exclusively for representatives of the Society).

One unique feature is that after the student has answered the questions asked in connection with each lesson, the officer in charge of the course sends him *official answers* to the same questions. This enables the student to check himself off by comparing the answers made by him with the official answers subsequently received from the Society.

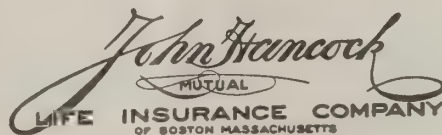
Satisfied Policyholders

The constant line of applicants for **ADDITIONAL** insurance in the

JOHN HANCOCK

shows that its members have
GOOD JUDGMENT

TIE UP WITH THE COMPANY MAKING
SATISFIED AGENTS



WILLIAM N. COMPTON

General Agent Metropolitan District

ST. PAUL BLDG. 220 BROADWAY
NEW YORK, N. Y.

Mr. Robins, discussing "The Conservation of the Home," said in part:

"The time has arrived when individualism in the modern social order of this nation is passing. We are witnessing not only a social revolution but an industrial and a political revolution as well. One necessitates the other; the three are inseparable. Thus it is all-important that we give this great question of social equality a prominent place in our psychology.

"There is but one way to attain the social conditions toward which we aim. We must have a spirit sufficiently strong and harmonious to keep us working together. So long as we are impelled by a mob spirit, whether the dominant faction be a broadcloth mob or an overall mob, we cannot hope to achieve our goal. Labor must cease to antagonize capital and capital must effect a friendly relation with labor. When that is accomplished we will have come nearer to the spirit I have in mind—a national spirit; a spirit which brings all men to a common level and one that is devoid of any vestige of selfishness.

"The United States today is facing one of the greatest problems of all time. There is no longer any frontier for future generations to extend and expand. The human race, armed with every modern invention, has crept to every section of the globe. Nowadays when youth grows uneasy and restless it does not turn toward the frontier as it did a few years ago. The young men and young women of this Nation are turning to the already congested cities to make their fortunes. And this is why the problem of social welfare is becoming constantly more and more momentous. In Pittsburgh, in New York, in Chicago, in a hundred other great centers of population we are beginning to wonder what we shall do with this great influx of youth.

"Clean politics, clean industries and a clean social order are the only panacea in sight. There are many factors that may enter into the ultimate realization of these conditions. But it is essentially up to the United States at this time, with a great war raging in Europe, to set a moral standard for the rest of the world. When this conflict is ended the three greatest countries in Europe—England, Germany and France—will be helpless. There will remain but three great Powers in a position to carry on the world's work—Russia, Japan and the United States.

"I believe that life insurance as an instrument with which to fight poverty, vice and misery is without an equal. But most people who carry life insurance do not live in rickety tenements in the slums of our great cities. There is where the work of the life insurance agent lies, and I am confident that when the agent invades this territory and emerges successful a new hope will be born."

Rhode Island.

The regular meeting of the Rhode Island association was held on April 19 in Providence. The banquet resolved itself into a testimonial to W. P. Gannett, the dean of life underwriters in that State. Mr. Gannett contributed some interesting retrospections of fifty years service to "The Greatest Thing in the World." The association presented Mr. Gannett with a box of carnations.

W. W. Warren, chairman of the Education and Conservation Committee, and Maurice H. Stearns, former president of the association, were the principal speakers.

Springfield, Mo.

Several prominent educators and political celebrities were guests of the Springfield association at the regular monthly banquet which was held at the Springfield Club on May 6. The banquet marked the close of a busy day for local underwriters during which deputations representing the association visited various educational institutions in and near the city. One of the deputations visited the State Normal School where M. A. Nelson, president of the association, addressed the student body.

JUST A FEW COPIES LEFT.

PROCEEDINGS OF THE CINCINNATI CONVENTION.

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SOME FACTS ABOUT

The Equitable Life Insurance Company of Iowa

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Good connections can always be made with our General Agents throughout the country.

on the subject of "Life Insurance." Later the same body journeyed to Drury College where W. A. McAtee delivered an address on "Applied Life Insurance."

At the conclusion of the banquet President Nelson, who officiated as toastmaster, called upon State Senator F. M. McDavid as the first speaker. He was followed by Dr. W. D. Carrington, president of the State Normal School, who denounced the practise of sharp competition.

Dr. F. B. Fusin delivered an instructive discussion on the manner in which twentieth century eating habits lessen the desirability of some men as insurance risks.

Dr. A. P. Hall, of Drury College, was introduced as dean of the biggest college in Missouri. He paid an eloquent tribute to the business of life insurance. Among the other speakers were A. J. Bates, manager of Draughon's Business College, Joseph Gaylor and Jake Marx.

Delegates to the coming National Convention were selected and the education and conservation movement was discussed. The association expects to make some definite plan for publicity at its next meeting.

Syracuse.

About twenty-five members of the Syracuse association attended the regular meeting which was held on April 17. The banquet was held at the City Club. Elmer E. Clarke was the principal speaker and reviewed "Insurance Facts," for the

benefit of those present. H. B. Husted spoke on recent insurance legislation.

Toledo.

Members of the Toledo association held their regular monthly meeting on May 3 at the Boody House. Special attention was given to taxation matters. In the future the local underwriters will pay more attention to pending legislation which imposes unjust and burdensome taxes on the policyholders.

The entertainment committee was instructed to schedule several prominent speakers, both insurance and lay, for future meetings. It was announced that the June meeting of the association would be addressed by Lincoln K. Passmore, vice-president of the Penn Mutual.

Notice.

Statement of the ownership, management, circulation, etc., required by the act of August 24, 1912, of LIFE ASSOCIATION NEWS, published monthly at New York, N. Y., for April 1, 1915. Editor, Everett M. Ensign, 56 Pine St., New York, N. Y.; Managing Editor, Everett M. Ensign, 56 Pine St., New York, N. Y.; Business Manager, Everett M. Ensign, 56 Pine St., New York, N. Y.; Publisher, Everett M. Ensign, 56 Pine St., New York, N. Y.

Metropolitan Life Insurance Company

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SIGNIFICANT FACTS.

This Company's Policy claims paid in 1914 average one claim for every 46 seconds of each business day of eight hours and in amount \$232.07 a minute.

The Daily Average of the Company's Business During 1914

626	per day in number of Claims Paid.	\$305,754.00	per day in Payments to Policyholders and addition to Reserve.
8,040	per day in number of Policies issued and revived.	\$161,826.87	per day in increase of Assets.
\$1,708,728.00	per day in New Insurance issued, revived and increased.	Insurance in Force	\$2,991,114,069.00

Full particulars regarding the plans of the Metropolitan may be obtained of its Agents in all the principal cities in the United States and Canada, or at its

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Owners: The National Association of Life Underwriters (Unincorporated—A Voluntary Association). The association consists of 4,500 members. Address, 56 Pine St., New York, N. Y. Officers: Hugh M. Willet, President, Fourth National Bank Building, Atlanta, Ga.; Edward A. Woods, Vice-President, Frick Building, Pittsburgh, Pa.; John N. Russell, Jr., Vice-President, Pacific Mutual Building, Los Angeles, Cal.; A. J. Meiklejohn, Vice-President, 115 Sparks St., Ottawa, Can.; J. Henry Johnson, Secretary, Colcord Building, Oklahoma City, Okla.; Everett M. Ensign, Corresponding Secretary, 56 Pine St., New York City; H. Wibirt Spence, Treasurer, 306 Penobscot Building, Detroit, Mich.; Lee C. Robens, Chairman Executive Committee, Phoenix Bank Building, Hartford, Conn.

No bondholders, mortgagees, and other security holders, holding 1 per cent. or more of total amount of bonds, mortgages or other securities.

(Signed)

Everett M. Ensign.

Editor and Manager.

Sworn to and subscribed before me this 2d day of April, 1915.

(seal)

Joseph C. Stebbins,

Notary Public Kings County,

Certificate filed in New York County.

(My commission expires March 31, 1917.)

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1915

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Good men, whether experienced in life insurance or not, may make direct contracts with this Company, for a limited territory if desired, and secure for themselves, in addition to first year's commission, a renewal interest insuring an income for the future. Address the Company at its Home Office, No. 277 Broadway, New York City.

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If you are ambitious to enter organization work and can show a clean record as a successful producer, write us giving your life insurance experience.

The Franklin Life Insurance Co.
Springfield, Ill.

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Offers to men able to produce business first-class territory, with direct contract providing liberal compensation.

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C. H. JACKSON, Supt. of Agencies

Life Association News

OFFICIAL ORGAN OF THE NATIONAL ASSOCIATION OF LIFE UNDERWRITERS

Entered as second class matter, Feb. 4, 1907, at the Post Office at New York, N. Y., under the Act of Congress of March 3, 1879

Vol. 9.

NEW YORK, JUNE, 1915.

No. 10

THE TWENTY-SIXTH ANNUAL CONVENTION.

THE GOLDEN GATE OF AMERICA EXTENDS A HEARTY WELCOME TO ALL LIFE UNDERWRITERS—MEMBERS OF THE SAN FRANCISCO ASSOCIATION ARE MAKING ELABORATE PREPARATIONS FOR ENTERTAINMENT OF DELEGATES.

National Secretary J. Henry Johnson Issues Formal Convention Call, Also Tentative Program of Business Sessions and Entertainment—The Exposition, an Attractive Itinerary and Special Transportation Arrangements Will Doubtless Bring Out a Record-breaking Attendance.

Oklahoma City, Okla., May 31, 1915.

To the Delegates and Alternates to the National Convention and all Association Members:

GENTLEMEN—

The Twenty-sixth Annual Convention of the National Association of Life Underwriters will be held in San Francisco on Tuesday, Wednesday and Thursday, the 10th, 11th and 12th of August. The Executive Council will meet at the St. Francis Hotel Monday morning, August 9, at 10 o'clock. The Executive Committee will hold its meeting on Monday afternoon, at 2 o'clock, at the Civic Auditorium. As there will be considerable business of importance to come before the Committee prior to the opening session of the Convention, all members of the Committee are urgently requested to reach San Francisco in time to attend the meeting.

Arrangements have been completed whereby all of the regular sessions of the convention will be held in the Civic Auditorium.

HOTEL RATES.

Bellevue.....	*25 With Bath	\$5.00 per day single. \$6.00 per day double.
Fairmont....	50 With Bath	\$4.50 to \$8.00 per day double. \$2.00 to \$6.00 per day single.
Palace.....	100 With Bath	\$4.50 to \$8.00 per day double.
Plaza.....	With Bath	\$5.00 and upwards double. \$2.00 to \$6.00 per day single.
	Without Bath	\$4.00 and upwards double.
St. Francis...	100 With Bath	\$6.00 to \$10.00 per day double. \$4.00 and upward single.
Sutter.....	25 With Bath	\$6.00 and upwards double.
	Without Bath	\$4.00 and upwards double.
Sussex.....	40 With Bath	\$5.00 and upwards double.
	Without Bath	\$4.00 and upwards double.
	En Suite With Bath	\$10.00 and upwards for four.
Inside Inn... 100	With Bath	\$3.00 to \$5.00 per day single.
(in Exposition Grounds)		\$4.00 to \$7.00 per day double.
	Without Bath	\$2.00 to \$3.00 per day single.
	Without Bath	\$2.00 to \$4.00 per day double.

In addition to the above, the following hotels agree to accommodate parties of varying size.

Beresford	Stewart
Manx	Terminal
Normandie	Wiltshire
Richelieu	Tallac

For hotel reservations write to Mr. H. R. Hunter, Shreve Building, San Francisco, Cal.

*The figures in this column indicate the number of rooms which have been reserved by the San Francisco association for the accommodation of delegates.

Special Transportation Arrangements.

Reservations should be made early to insure good accommodations. The route of the famous "Overland Limited" train has been decided upon, which is via the Chicago & North Western—Union Pacific and Southern Pacific by way of Omaha, Cheyenne and Ogden, making a side trip to Salt Lake City, spending a day there, and also a delightful one-day visit to Lake Tahoe.

At Salt Lake City opportunity will be had for sightseeing about the city, visiting the Mormon Grounds, the Tabernacle, etc., and making a trip to famous Saltair Beach.

Lake Tahoe in the Sierra Nevada Mountains and 6,240 feet above sea level, is one of the most beautiful mountain lakes in the world. The day there will be spent in a trip around the lake by steamer and a stop at Tahoe Tavern.

Arrangements have been made so that one of the experienced representatives of the Department of Tours of the Chicago, Union Pacific & North Western Line will accompany our party for the entire trip from Chicago to San Francisco.

The special train will consist of the very latest type of first-class Pullman equipment. There will be a combination buffet club car, private compartment and drawing room cars, open section Pullman sleepers, dining car and observation car.

The cost of the tour will be \$93.50 from Chicago. This figure includes all expenses of the trip from Chicago up to time of arrival at San Francisco, such as railroad transportation, meals, sleeping car berth in first-class Pullman sleeper, side-trip ticket to Salt Lake City, expense of the trip to Lake Tahoe and return, including steamer around the lake, and railroad ticket *only* returning via any direct route.

The railroad fare in above rate is based on the \$62.50 round-trip fare from Chicago to San Francisco via direct routes. If it is desired to return from San Francisco by way of Los Angeles and San Diego ticket may be so routed without extra cost, or returning direct via same route, or via Denver and Colorado Springs. If it is desired to return via northern routes through Portland, Seattle and Canadian Pacific there is an extra cost of \$17.50.

Railroad tickets only may be purchased from any point outside of Chicago based on the \$62.50 fare from Chicago (or \$80.00 returning via northern lines through Portland). Your local railroad representative can inform you of the through rail fare from any point, but you should be sure to have tickets read via C. & N. W.—U. P.—S. P. from Chicago to San Francisco for the going trip, returning as you desire. The balance of \$31.00 for other expenses of the trip outside of railroad ticket should be paid to S. A. Hutchison, Manager, Department of Tours, C. U. P. & N. W. Line, 148 S. Clark St., Chicago, Ill., not later than July 20.

This will save confusion and trouble in Chicago on day of leaving.

The Department of Tours, Chicago, Union Pacific & North Western Line, will be glad to arrange special trips for the return, and will furnish necessary equipment, provided a sufficient number of delegates indicate their wishes long enough in advance for arrangements to be made.

The cost of the trip as quoted is based on assigning one double lower berth to each individual. There will be a reduction of \$2.60 for those occupying upper berth.

Private compartments and drawing rooms are available, for which there will be a slight extra charge, dependent upon the number intending to occupy same.

Applications for space should be addressed to S. A. Hutchison, Manager, Department of Tours, Chicago, Union Pacific & North Western Line, 148 S. Clark St., Chicago, Ill.

Credentials.

All delegates and alternates should be supplied with credentials signed by the president and secretary of their local association before leaving for the Convention, and it is important that every delegate and alternate have these credentials. Blanks for this purpose have been furnished all secretaries of the local associations, and if you have not received your credentials, take the matter up with your secretary.

Registration.

Delegates, alternates, all association members and guests, upon their arrival in San Francisco, are at once to proceed to the Civic Auditorium and register their names in the National Association Register, which will be in charge of the Registration and Information Committee.

Each delegate and alternate is required to present his credentials.

Convention.

The officers of the National Association, assisted by members of the San Francisco association, are planning to make this the most helpful and the most important to the life insurance interests of the United States of any convention ever held. Let no private luncheon or entertainment be planned or attended by association men which will in any way interfere with the sessions of the convention. It is hoped that no company will hold agency meetings during the convention sessions, or in connection with the convention, as Friday, August 13, has been reserved for company meetings.

The following constitute some of the principal features of the convention program:

FIRST DAY.

Tuesday, August 10, 1915.

Morning session, 10 o'clock.

Civic Auditorium.

Invocation—

* Rev. F. W. Clappett, Chaplain of San Francisco Association.

Addresses of welcome—

Hon. Charles C. Moore, President, Panama-Pacific International Exposition.

Hon. James Rolph, Jr., Mayor of San Francisco.

Mr. H. R. Hunter, President, San Francisco Association.

Roll Call of Delegates.

Reading of Minutes of Previous Convention.

Reading of Special Communications.

President's Address.

Vice-Presidents' Addresses.

Announcements.

Report of Secretary.

Report of Treasurer.

Report of Chairman of Executive Committee.

AFTERNOON SESSION, 2 O'CLOCK.

Report of Education and Conservation Bureau, Warren M. Horner, chairman.

Address, "Life," Dr. Benjamin Ide Wheeler, President, University of California.

Discussion of Five Minute Topics—

Hubert H. Ward, Chairman.

"System Used in Canvassing,"

(a) Getting Prospects,

(b) Cultivating Prospects,

(c) Closing Prospects,

(d) Getting Settlements.

Action on Executive Committee's Recommendations.

Appointment of Nominating Committee.

EVENING.

Reception and Ball at St. Francis Hotel, 8:30 o'clock.

SECOND DAY.

Wednesday, August 11, 1915.

Morning Session, 10 o'clock.

Civic Auditorium.

Discussion of Resolution of Mr. J. Edward Myers, adopted at the Cincinnati convention regarding the tendency toward State Insurance.

Address—"Insurance of To-morrow," Mr. Otto Irving Wise, Vice-President, Western States Life Insurance Company.

Report of Committee on Taxation—Mr. Edward A. Woods, Chairman.

Announcement and Reading of Prize Essays, "Life Insurance—The Institution for Systematic Thrift."

Presentation of Calef Loving Cup and Medal.

Presentation of Ben Williams Vase.

New Business.

Presentation of Resolutions, or other business to be referred, under the rules, to the Executive Committee.

AFTERNOON SESSION, 2:30 O'CLOCK.

Discussion of Five Minute Topics, Mr. Hubert H. Ward, Chairman:

"Agency Building,"

(a) Getting Agents,

(b) Training Agents,

(c) Making Agency Meetings of Greatest Value to an Agency Force.

Novel Suggestions for Selling Insurance—Vice-President Edward A. Woods presiding.

\$25.00 prize offered by Vice-President Woods for the best suggestion to be stated in three minutes.

Awarding of Trophies—

The Edwards Membership Trophy,

The Whittington Delegates' Trophy,

The Attendance Trophy.

New Business.

EVENING.

8:00 o'clock, Annual Banquet, Palace Hotel.

Invocation—Rev. F. W. Clappett, Chaplain.

Addresses—

Hon. Franklin K. Lane, Secretary of Interior, Washington, D. C.

Hon. J. E. Phelps, Insurance Commissioner of California.

Hon. Robert Newton Lynch, Vice-President, Chamber of Commerce, San Francisco.

Toastmaster—Mr. Hugh M. Willet, President.

THIRD DAY.

Thursday, August 12, 1915.

Morning Session, 10 o'clock.

Civic Auditorium.

"NATIONAL ASSOCIATION DAY"

Report of Executive Committee.

Address—"Life Insurance as an Economic Force," Mr. Orville Thorpe, Dallas, Texas.

Reports of District Congresses.

Subscription to the official proceedings.

Selection of place for holding Convention in 1916.

Report of Nominating Committee.

Election and Installation of Officers.

Unfinished Business.

Adjournment.

AFTERNOON SESSION.

Exposition's Official Reception of the National Association of Life Underwriters in the Court of the Universe, with fitting Addresses on behalf of Exposition Officials, to be replied to by ex-President Willet and the new President.

Novel Entertainment Features under Auspices of the San Francisco Association.

Come prepared to take part in the Five Minute Discussions. This part of the program alone is worth the trip. The man who expresses his ideas and gives most to the convention is the one who gets the most out of it.

Official Proceedings.

Remember that the full proceedings of the convention, including all addresses, discussions and papers, will be published in book form, handsomely bound, and sold at \$1.50 per copy. Before leaving home make it a point to find out how many copies your association will be willing to order. The corresponding secretary, Everett M. Ensign, will have subscription blanks with him and will be ready to receive orders for the book.

Entertainment.

Special social features will be subject to future announcement.

Banquet.

The annual banquet will be held at the Palace Hotel, Wednesday evening, August 11, and it is our desire that every delegate, alternate and guest should plan to attend this feature of the convention. As usual, the ladies will be admitted and made most welcome.

San Francisco.

All references to the Panama-Pacific International Exposition have been purposely omitted, on the assumption that every life underwriter is fully acquainted with the attractions of the greatest exposition the world has ever seen.

San Francisco owes much of its pre-eminence to its location on one of the finest harbors in the world, where ships of every nation are to be seen. The city has grown with unexpected rapidity during recent years. It has been rebuilt upon the hills with a view to utility, safety and beauty that promise to make it one of the most magnificent municipal centers in the world. As a city of culture, her public institutions rank among the first in the country, and her people are famous for their hospitality.

The tourist who wishes to visit the numerous points of interest on the Pacific Coast will find that San Francisco serves its purpose admirably as a gateway and headquarters. There are abundant attractions only an hour or two distant from the city. Within easy traveling distance are the University of California at Berkeley, across the bay; the trip to the old town of Monterey; the journey up Mount Tamalpais, to Palo Alto, to San Jose, or up Mount Hamilton to the Lick Observatory. The provisions for transportation by rail and water to such points as Portland, Tacoma, Seattle and Los Angeles, are complete in character.

Convention Benefits.

The annual convention of the National Association has grown to be the most important event in the life insurance world. At the foundation of all its proceedings is the 20th century idea of service.

Service implies knowledge, efficiency, inspiration, enthusiasm and power. The program is purposeful and dynamic, and has been arranged with the special object of developing these qualities. To attend the annual convention is the best means to be abreast with present-day life insurance.

Service sometimes demands a temporary sacrifice of time and money; both, however, following an immutable law of nature in any good cause, multiply in direct proportion as they are unselfishly spent. To be something you must give something.

The convention will prove to be the best investment of time and money that you have ever made, because you will return home a bigger insurance writer, a more successful manager and a better association man, with a larger conception of your profession.

Come to the convention. Give the association the benefit of your ideas and you will take back many more in return.

All association men will be welcome whether or not they are delegates or alternates.

An invitation is also extended to all life insurance men who are not members of local associations. Full courtesies will be extended to non-association members, with the exception of the right to vote at business session.

Remember the dates—August 10, 11 and 12.

Apply for your hotel reservation now.

Yours faithfully,

J. HENRY JOHNSON,

Secretary.

HUGH M. WILLET,
President.

CONSERVATION OF THE AMERICAN HOME.

It's No Crime to Be Poor, but It's Mighty Inconvenient for Those Left Behind, Almost Everyone Will Agree.

Bankers Have Never Been Able to Find a Man Who Had Deposited a Fixed Amount Annually for a Period of Twenty Years.

Following is the second of a series of articles by J. J. Jackson, Cleveland manager for the Aetna Life. While the author discusses the elementary side of life insurance the editor finds that the average solicitor is always glad to review the fundamentals of the business. This was evidenced by the new subscriptions which were received because of Mr. Jackson's article which appeared in the May issue of THE NEWS.—Editor's Note.

Ohio's law of legal reserve is 4 per cent., yet I do not know of a single company that is doing business on that basis in the State. Most of the States have compelled companies to use more conservative rate, either 3 or 3½ per cent. reserve. This is because the rates of interest have decreased in the last 10 or 15 years. The time was when all our government bonds drew 4 and 5 per cent. interest, but none has been issued for the last 10 years which draws over 3 per cent.

The lower the rate of reserve the larger the amount that must be put away each year, to amount to a given sum at the end of a given term of years.

The actuary's work is simply a matter of mathematical computation in preparing the rates for the different forms of policies. In all the illustrations I shall use the 3 per cent. reserve.

Every rate is composed of three things: First, the mortality or death rate; 2d, the legal reserves, and 3d, the sum for expense, or the "loading" as it is sometimes called. Let us illustrate how the rate for an ordinary life policy is made up for age 35 years. We learn in the preceding article that all would be dead at age 96. Thus there are 61 years that must be taken care of. While the expectancy of a man at age 35 years is 31¾ years enough will live beyond 31¾ years to make up for those who will die before.

The rate quoted from a legal reserve company for any ordinary life policy is \$21.52, made up as follows: \$8.50 for the mortality portion, \$11.41 for the reserve, and \$1.61 for the expense. By this combination the rate of \$21.52 provides for the number that will die each year of the original 100,000 with which we started our compilations and should any number live to 97 years, their money can be paid in cash for our computation has provided for it.

Reserve Increases.

By the computations in this form of policy we find how the reserve increases each year and the laws of each State provide for the return in different ways of a certain amount of this reserve if a man fails to pay after he has made three annual payments.

To illustrate: If he should stop after he has paid five years, what does he find to his credit? First, that the company will keep his \$1,000 insurance in force for 5 years 153 days for its full face value. Or, 2d, he may take a paid-up policy for \$120 due at his death; or, 3d, he may draw out \$49 cash. At the end of 10 years the extended insurance will run 11 years 222 days; or a paid-up policy of \$222, or a cash value of \$125. At the end of 20 years, extended insurance for 15 years 187 days; a paid-up policy of \$549 or a cash value of \$311.

At 30 years the extended insurance will be 14 years, 68 days; a paid-up policy of 726 or a cash value of \$491.

A 20-year endowment contract by this same company is made up as follows: First, mortality part, \$7.26; 2d, legal reserve \$32.86; 3d, loading, \$2.74, thus making a rate of \$42.89. If you will take the reserve part \$32.86 per annum in advance at 3 per cent. compound interest for 20 years, you will find that you have \$1,000. The \$7.26 provides for the number that will die, which is nine out of each 1,005, the first year, and 21 out of each 1,000 during the 20 years. Now all that the company charges for handling the business is \$1.61 per year on the ordinary life and \$2.74 per year on the 20 year endowment plan.

I do not think any conservative man will say that a company is charging too much, especially when the company is willing to deduct 25 cents from each of the above premiums if you will allow them to take out the total disability clause, which each of the above contracts contains, thus reducing the amount for looking after the business on an ordinary life to \$1.36 and on the 20-year endowment to \$2.49 per year, and out of these sums they must pay the agent, the doctor, and the inspector, as well as officers and office assistants and office rent and other expenses.

I will explain the details of a 20-year endowment policy at some length in a later article.

In my last article I mentioned the forms of insurance as life and endowment. I should have added a third, known as term insurance, written for 1, 5, 7, 10 or 20 years. This provides a low rate because it contains no reserve, but takes care of only the death rate. In most of these forms it provides for change into any other form of insurance or renewing it at an increase in rate.

Not a Crime, But—

"It is no crime to be poor, but it's mighty inconvenient for those left behind. We are all agreed on that point."

What is the best policy to follow to avoid this fate? We all agree that the best policy is to acquire the saving habit—that habit that always leads to success.

How do we measure a business man? Generally by the promptness with which he pays his bills. A man who will not agree to do anything, seldom ever does anything. The easiest way to save is to obligate yourself to invest in something that is safe and profitable. Agree to do something and then do it. Voluntary saving is the most difficult. Few men ever make a bargain with themselves that they keep. It takes two to make a bargain that ever amounts to much.

I have asked several bankers of long experience and not one could remember a single man who had made a bargain with himself to put a fixed amount in the bank on a certain day and kept it up for 20 years. It is the bargains that we make with our associates in business that are kept.

The surest way to save money is to save it, and the time to begin is now. Right now while your health, strength and earning capacity afford you an opportunity to save. There is only one way that a large amount can be immediately made secure by a small saving each year—only one way that small sums can be invested to the best advantage—life insurance—the only sure and unflinching method open to men of small means to protect themselves and their families.

It is an equal necessity for the man of large means to protect his business investments. It is the modern safe and sane way of capitalizing a man's future earnings forever, and so providing him the means of undertaking family and business responsibilities which it would be folly to attempt without such protection.

A Reason.

Why do men not buy life insurance? Because they do not understand it. I firmly believe this is the reason. I have often said and still maintain that every man would buy it if he understood it, if the right man should have the opportunity to explain it to him. The one hundred and one excuses I have heard are not reasons. A large number of the excuses are like most of our troubles. They are borrowed and never happen.

I wish I had time and space to cite separately all the excuses that have been offered in my canvass the last 22 years. I will mention a few.

I was talking to a young farmer not 30 days ago and found he carried no insurance and had not made his will. His reason for not carrying insurance was that he could not afford it and for not having made his will because he had never thought of it. Upon inquiring I learned that he had bought a farm and was trying to pay for it and it took every cent he could scrape to meet the payments. I learned further that he had paid \$2,000 on the farm and still owed \$3,000. He had a frail wife and one daughter. "You cannot afford to carry life insurance? Do you carry fire insurance?" I asked him. He replied that the man who held the mortgage demanded that he carry fire insurance. I asked him what if the man who held the mortgage on which he was paying 6 per cent. would say to him, "I have been thinking he case over and have made up my mind that if you should die

your wife could not finish paying for the farm and I would have to foreclose the mortgage and turn the wife and daughter out. Now I do not like to think of doing it and have made up my mind to make you this proposition: If you will make that rate of interest 7 per cent. I will write in the note the following: 'Should you die I will cancel this note'—what would you say to him?" And he replied "I certainly would be glad to do that, but this man will not make me such a proposition." "No," I said, "but any good life insurance company will carry your risk for five to 10 years for 1 per cent. on each \$1,000, or \$10.00 per \$1,000."

It took less time than I am writing this to sell him \$3,000 to guarantee the mortgage. He told me he had more than a dozen men talk to him, but he now believed he could not afford to be without it.

There are hundreds of just such cases within this county that cannot afford to be without it, men who are in debt and who in event of their death would leave the debts to be paid by their families.

The Farm Mortgage.

Every farmer who has a mortgage cannot afford to let his family carry the risk of losing what has been paid in case he is taken away. Let us take the case of the farmer who is not in debt. A successful farmer who has a farm worth about \$5,000 is making safely \$50 per year that he must invest. Suppose our First National Bank would hang out a sign that on the first of January, 1915, to every man who will deposit \$50 this year, and if he leaves a like amount with this bank each year for 20 years, we will give a bank book agreeing to give him back his money with a small rate of interest at the end of 20 years, and they would write in that bank book that if he should die this year or at any time thereafter before the 20 years had expired, they would pay his wife \$1,000, and further, if he should become totally disabled so that he could not work, like Mr. Hewins, late of our city, or Mr. Bruce Waters, that the bank would pay him back \$50. each year for 20 years, or if he died before the 20 years had expired, they would pay the remainder to his family. Do you not think our successful farmer could afford to deposit his money in our First National Bank?

But I hear someone say that it is all right for the first year but suppose he can't pay after a few years, what then? The State law comes in and says on that kind of a bank book after you have made two deposits you must give a man a paid up bank book for what he has deposited, due at death, or at end of 20 years. To illustrate, say he had made his deposits for 10 years and he decides to quit. He looks into his book and this is his first sight: They will extend the time of payment 10 years and agree if he should die during that time not to deduct a cent from the \$1,000 due his wife. It says further, if you should live until the end of the last 10 years we will give you back in cash \$454. Now you will remember that you have not deposited but \$500, and they have paid the interest on that the first 10 years, and now at the end of 20 years give you back all but \$46 of your money, and you have known all the time that your estate was worth \$1,000 if you died. But you take your book and note from the second table printed in it that you could have a certificate of deposit for \$530 due at death or at the end of 10 years. And last you read in this book that you could draw out and use in your business \$401 and know that if you died your estate was worth \$599 more, less the deposit for that year.

Better Than Banking.

Would you advise the farmer to deposit in the bank that would do all that? If he would loan \$250 to each of 10 men during the 10 years, do you suppose he or his estate could collect them all back at once, or ever? To say nothing of having his estate worth the \$1,000 at all times.

Let me put it in one other form.

You know that the bank is loaning money. Suppose they say, "We will deposit to the credit of every man in this vicinity \$1,000 giving him a book showing that the money is here, and only ask you to pay 4 2-10 per cent. interest on it." That is, they will deposit to your credit all the money on which you are willing to pay the interest, and if you will pay the interest for 20 years, they will give you the principal, and if you should die or stop at any time, the book would read like the one just described. What

would you say about the bank? Would you say it cost too much? Would not the bank have to call out the fire department to keep the people from crowding into the bank the first day of January, if the bank were to make this offer?

Yet both of these offers are exactly what any Old Line Life Insurance Company will say to you.

Have a talk with yourself, my friends, and think if you would not like to know that you had a \$1,000 or \$2,000 in the bank if you should die and I know you would, if you lived, and all the effort you have to make is to pay the interest at the rate of 4-10 per cent. It was my pleasure in the year of 1913 to pay \$196,000 to men who will bear witness to the fact that it is a pleasure to pay the interest and live to get the principal.

Few Men Leave Wills.

Less than 25 per cent. of the men who die leave a will. Why not? It is not because they do not wish to help those whom they leave, but it is not a pleasant thing to talk about, and can easily be put off until to-morrow, a day which never comes.

The principal reason, from my viewpoint, is because there has been no one in the past whose business it was to ask a man to make his will, except perhaps those of you who have employed an attorney.

I will tell you whose business it is to ask you. It is the life insurance man's duty, if he is honest in his profession. Why? Because he is dealing with estates from the time he starts out in the morning until he finishes his work at night, and he should be just as anxious to help men save the leakage that would occur in settling their estates without a will, as he is to help them increase their estates by taking on new obligations.

It was my duty to serve as administrator of a man's estate in Cleveland and I found that had he made a will it would have saved a considerable amount of money, and beyond saving the estate, it would have been divided differently had he only known that he was not going to live.

Every man knows his family best, and if he does not make proper provision the Probate Court is obliged to do just what the law directs it to do, and the Court proceeds as follows:

An administrator is appointed; also three appraisers whose duty it is to make a thorough appraisal of the estate. The appraisers are instructed to set aside a year's allowance for the widow. This done, the appraisal is filed with the Probate Court.

Administration Troubles.

The administrator is required by law to give a bond for twice the amount of the estate. If there are children not of legal age, there must be a guardian appointed for them. If the widow desires to be the guardian, she cannot act as the administratrix of the estate, as the law will not allow the same person to act in both capacities.

To illustrate, take a case of minor children, a home or a farm with personal property. The mother has accepted the guardianship and the administrator proceeds to pay the debts and settle up the estate. The year's support as fixed by the appraiser has been paid. This sum varies in amount from \$300 to \$500 as the usual allowance. What else does the widow receive?

After the debts are paid, one-half the first \$400 and one-third of the personal property outright and the use of one-third of the real estate.

Two-thirds of the personal property and two-thirds of the income for the real estate is turned over to the guardian for which she has to give a bond, according to law. She must report to the Court as often as once in two years how she is investing the money and continue to make such report until the youngest child is of legal age.

But what of her income? Of the hundreds of cases of which I have known in the last 21 years, I will describe only two, one within our school district and one in Trumbull county.

In the first case the man and wife had been very frugal and had worked very hard, and had paid for a farm of about 200 acres with all modern improvements; had seen their only daughter educated and well married, yet like many a good farmer he hadn't much ready money. I remember asking him one day, when he

was about to have a \$1,000 endowment policy come due which, by the way, was made out to the daughter, if he had made his will, and he smiled and said, "No he guessed he had all that the wife and daughter could spend," etc. But in a few years the undertaker was called. This good man had died several years before his allotted time.

The estate was administered, the year's support set aside for the widow, that together with one-third of the money realized for what personal property there was sold. She bought a small place in town and moved in. The farm and stock were rented on shares, the widow to receive one-third of one-half and the daughter two-thirds of one-half the income, after the taxes, insurance and necessary repairs were taken care of. At the end of two years this poor widow came to my house and cried as if her heart would break, relating to me that she could not live on her income. And I assure you, readers, by her habits of frugal economy she could have done so, if it were possible for any person on earth to do so.

Insurance a Necessity.

The farm produced about \$800, for the half after the taxes, insurance and necessary up-keep had been paid. I remember that year there was less than \$300 to divide, leaving her about \$900 upon which to live. When the eggs were sent to town, this mother received one and daughter two. It was not because the daughter was needing them, but simply because the law gave them to her, and she, like a large number of the human race, could not bear to see anyone, not even her poor mother, have what legally belonged to her.

The second case, the one in Trumbull county: I called upon a gentleman 38 years old who owned a farm of 140 acres of good land, well stocked. He had a wife and five children, the oldest 10 and the youngest two years of age. He carried \$1,000 life insurance that he took out when he was married and had paid 15 instalments, and the policy would mature in five more years.

As we sat upon his porch I complimented him on having paid for the farm and raised his family. I then asked him if he had made his will, and he said "No, I do not see any use to do so. We do not owe anyone and if I should die, my wife would have it all." This he supposed to be the truth. When I explained to him what it would be necessary to do and what share his wife would really have he began to figure. He said, "I can make the farm earn \$600, but if my wife and the children should try to hire a man that would cost \$300 and I fear he could not produce as much as I do and, after the taxes are paid and necessary up-keep, I doubt if there would be \$225 left, and to think that my wife could have only one-third of that, that is not the way I want it at all. In fact," he said, "If I should be taken away, she should take the children to town where they could get a good education, and the farm rented for cash. The rent would not bring over \$250 and that with the income from the personal property ought to bring it up to \$300 per year."

Roused to Action.

We made his will right then and there and he willed everything to his widow, as long as she remained his widow. Should she marry, two-thirds of his estate should revert to his children.

He then decided to buy an annuity for himself and his wife that would begin at his death to pay her \$25 per month and would guarantee to pay for 25 years and as much longer as she should live, and if he should live to be 58 years old, it would pay him \$25 per month so long as he lived, and then as long as his wife lived. If they were both to die before 25 years had elapsed it would continue to pay the children \$25 per month until the 25 years were up.

Thus with \$260 per year, which is less than one-half of what he was annually earning from his farm, he bought an income larger than the whole farm would pay.

Just a word about the saving by making the will. He willed everything to his wife without bond and waived appraisal. By willing everything to the wife, there was no estate for the children and consequently no necessity for a guardian. The bond was waived from the administration and the guardian, and the court fees eliminated, in case of the biennial report of the guardian to the court and the fees of the administrator.

DETAILS OF CONVENTION ITINERARY.

The Return from San Francisco Is Optional—There Are Many Attractive Trips Homeward, but Return Route No. 4 Will Probably Be the Most Popular.

Since the first announcement of the arrangements made for a special train from Chicago to the San Francisco Convention, the requests for reservations have been most encouraging. It should be borne in mind, however, that the final booking date is July 20. All train reservations should be made on or prior to that day.

The Convention Special has been provided only for the going trip, as many will prefer to return by different routes, with varied preferences as to points to see and time to spend. For this reason arrangements have been made to form special car parties for the return trip. If there is a sufficient number who wish to return by any particular route, a private car party will be formed, which must number not less than 20 persons. A number of suggestive return routes, with full itineraries, follow:

SUGGESTIVE RETURN ROUTE NO. 1.

Proposed Special Car Party.

Round-trip ticket rate from Chicago, \$62.50. Yellowstone National Park side-trip ticket, regular five days' tour of the Park, including rail, stage and hotels, as well as meals (four nights' lodging and 13 meals), \$53.50.

Double lower berth in standard sleeper covering route of tour, \$26.00.

Double upper berth in standard sleeper covering route of tour, \$20.80.

Dining car service on all trains a la carte.

Leaving San Francisco, Monday, August 16, via Southern Pacific Coast Line to Del Monte and Santa Barbara en route to Los Angeles, making side-trips to San Diego, S. P. L. A. & S. L. Route to Salt Lake City, O. S. Line to Yellowstone Park and return to Ogden, Union Pacific to Denver, side-trip to Colorado Springs, thence via Union Pacific and C. & N. W. Ry. to Chicago.

Stopping six and one-half hours at Del Monte, four hours at Santa Barbara, two and one-half days in Los Angeles, two days in San Diego, one-half day in Ogden Canyon, five days touring Yellowstone National Park, one day in Denver, and two days in Colorado Springs.

Lv San Francisco.... Mon., Aug. 16, 7.45 a.m. So. Pac.
Ar Del Monte..... Mon., Aug. 16, 11.34 a.m. "

REMAIN AT DEL MONTE UNTIL 7.00 P.M.

Lv Del Monte..... Mon., Aug. 16, 7.02 p.m. So. Pac.
Ar Santa Barbara... Tues., Aug. 17, 6.25 a.m. "

REMAIN AT SANTA BARBARA UNTIL 10.25 A.M.

Lv Santa Barbara... Tues., Aug. 17, 10.25 a.m. So. Pac.
Ar Los Angeles.... Tues., Aug. 17, 2.20 p.m. "

REMAIN AT LOS ANGELES TWO AND ONE-HALF DAYS.

Lv Los Angeles.... Thur., Aug. 19, 11.59 p.m. A.T.&S.F.
Ar San Diego..... Fri., Aug. 20, 5.30 a.m. "

REMAIN IN SAN DIEGO TWO DAYS.

Lv San Diego..... Sun., Aug. 22, 8.40 a.m. A.T.&S.F.
Ar Los Angeles.... Sun., Aug. 22, 12.50 p.m. "
Lv Los Angeles.... Sun., Aug. 22, 1.00 p.m. S.P.L.A.&S.L.
Ar Salt Lake City... Mon., Aug. 23, 2.00 p.m. "
Lv Salt Lake City... Mon., Aug. 23, 2.15 p.m. O.S. Line
Ar Ogden..... Mon., Aug. 23, 3.10 p.m. "

REMAIN AT OGDEN UNTIL 8.20 P.M.

Side-trip to Rustic Ogden Canyon

Lv Ogden..... Mon., Aug. 23, 8.20 p.m. O.S. Line
Ar Yellowstone Sta. Tues., Aug. 24, 6.45 a.m. "
Lv Yellowstone.... 1st day, 8.00 a.m. Y.-W. Stage Co.
Ar Fountain Hotel... 1st day, 11.30 a.m. " 20 miles
(Lower Geyser Basin)
Lv Fountain Hotel... 1st day, 1.30 p.m. " "
Ar Old Faithful Inn... 1st day, 3.30 p.m. " 9 miles
(Upper Geyser Basin)
Lv Old Faithful Inn... 2d day, 8.00 a.m. " "
Ar Thumb Bay..... 2d day, 11.30 a.m. " 19 miles

Lv Thumb Bay..... 2d day, 1.30 p.m. "
Ar Colonial Hotel.... 2d day, 4.00 p.m. " 16 miles
(Yellowstone Lake)
Lv Colonial Hotel... 3d day, 8.00 a.m. "
Ar Canyon Hotel.... 3d day, 12.00 noon " 18 miles
(Grand Canyon of the Yellowstone)
Lv Canyon Hotel... 4th day, 8.30 a.m. "
Ar Norris..... 4th day, 11.00 a.m. " 12 miles
Lv Norris..... 4th day, 12.30 p.m. "
Ar Mammoth Hot
Springs (Hotel)... 4th day, 4.00 p.m. " 20 miles
Lv Mammoth Hot
Springs..... 5th day, 7.45 a.m. " "
Ar Norris..... 5th day, 11.30 a.m. " 20 miles
Lv Norris..... 5th day, 1.00 p.m. " "
Ar Yellowstone Sta... 5th day, 5.30 p.m. " 26 miles
Lv Yellowstone.... Sat., Aug. 28, 7.15 p.m. O.S. Line
Ar Ogden..... Sun., Aug. 29, 6.15 a.m. "
Lv Ogden..... Sun., Aug. 29, 8.35 a.m. U.P.R.R.
Ar Denver..... Mon., Aug. 30, 9.30 a.m. "

REMAIN IN DENVER ONE DAY

Lv Denver..... Mon., Aug. 30, 7.45 p.m. A.T.&S.F.
Ar Colorado Springs. Mon., Aug. 30, 10.20 p.m. "

REMAIN AT COLORADO SPRINGS TWO DAYS

Lv Colorado Springs. Wed., Sept. 1, 7.00 p.m. A.T.&S.F.
Ar Denver..... Wed., Sept. 1, 9.30 p.m. "
Lv Denver..... Wed., Sept. 1, 10.00 p.m. U.P.R.R.
Ar Omaha..... Thur., Sept. 2, 4.00 p.m. "
Lv Omaha..... Thur., Sept. 2, 6.00 p.m. C.&N.W.Ry.
Ar Chicago..... Fri., Sept. 3, 7.34 a.m. "

SUGGESTIVE RETURN ROUTE NO. 2

Proposed Special Car Party

Round trip ticket rate from Chicago, \$80.00. Yellowstone Park side-trip ticket, regular five days' tour of the Park, including rail, stage, hotels and meals (four nights' lodging and 13 meals) \$53.00.

Double lower berth in standard sleeper covering route of tour, \$27.25.

Double upper berth in standard sleeper covering route of tour, \$21.80.

Dining car service on all trains a la carte.

Leaving San Francisco Monday, August 16, via Southern Pacific Shasta Route to Portland, side-trip to Seattle, O.-W. R.R. & N. Co., to Huntington, O. S. Line to Yellowstone Park and return to Ogden, Union Pacific to Denver, side-trip to Colorado Springs, thence via Union Pacific and C. & N. W. Ry. to Chicago.

Stopping one day in Portland, one day in Seattle, five days touring Yellowstone National Park, one day in Denver, and two Days in Colorado Springs.

Lv San Francisco.... Mon., Aug. 16, 8.20 p.m. So. Pac.
Ar Shasta Springs... Tues., Aug. 17, 10.26 a.m. "
Lv Shasta Springs... Tues., Aug. 17, 10.36 a.m. "
Ar Portland..... Wed., Aug. 18, 7.20 a.m. "

REMAIN IN PORTLAND ONE DAY

Lv Portland..... Wed., Aug. 18, 11.00 p.m. O.-W. R.R.&N.
Ar Seattle..... Thur., Aug. 19, 6.15 a.m. "

REMAIN IN SEATTLE ONE DAY

Lv Seattle..... Fri., Aug. 20, 9.30 a.m. O.-W.R.R.&N.
Ar Portland..... Fri., Aug. 20, 3.30 p.m. "
Lv Portland..... Fri., Aug. 20, 6.30 p.m. "
Ar Huntington..... Sat., Aug. 21, 9.55 a.m. (P.T.) "
Lv Huntington..... Sat., Aug. 21, 11.05 a.m. (M.T.) O.S. Line
Ar Yellowstone Sta. Sun., Aug. 22, 6.45 a.m. "
Lv Yellowstone Sta. 1st day, 8.00 a.m. Y.-W. Stage Co.
Ar Fountain Hotel... 1st day, 11.30 a.m. " 20 miles
(Lower Geyser Basin)
Lv Fountain Hotel... 1st day, 1.30 p.m. " "
Ar Old Faithful Inn... 1st day, 3.30 p.m. " 9 miles
(Upper Geyser Basin)
Lv Old Faithful Inn... 2d day, 8.00 a.m. " "
Ar Thumb Bay..... 2d day, 11.30 a.m. " 19 miles
Lv Thumb Bay..... 2d day, 1.30 p.m. " "
Ar Colonial Hotel... 2d day, 4.00 p.m. " 16 miles
(Yellowstone Lake)

Lv Colonial Hotel...	3d day, 8.00 a.m.	Y.-W. Stage Co.	
Ar Canyon Hotel...	3d day, 12.00 noon	"	18 miles
(Grand Canyon of the Yellowstone)			
Lv Canyon Hotel...	4th day, 8.30 a.m.	"	
Ar Norris.....	4th day, 11.00 a.m.	"	12 miles
Lv Norris.....	4th day, 12.30 p.m.	"	
Ar Mammoth Hot			
Springs (Hotel)	4th day, 4.00 p.m.	"	20 miles
Lv Mammoth Hot			
Springs.....	5th day, 7.45 a.m.	"	
Ar Norris.....	5th day, 11.30 a.m.	"	20 miles
Lv Norris.....	5th day, 1.00 p.m.	"	
Ar Yellowstone Sta..	5th day, 5.30 p.m.	"	26 miles

Total..... 160 miles

Lv Yellowstone Sta..	Thur., Aug. 26, 7.15 p.m.	O.S. Line
Ar Ogden.....	Fri., Aug. 27, 6.15 a.m.	"
Lv Ogden.....	Fri., Aug. 27, 8.35 a.m.	U.P.R.R.
Ar Denver.....	Sat., Aug. 28, 9.30 a.m.	"

REMAIN IN DENVER ONE DAY

Lv Denver.....	Sat., Aug. 28, 7.45 p.m.	A.T. & S.F.
Ar Colorado Springs.	Sat., Aug. 28, 10.20 p.m.	"

REMAIN IN COLORADO SPRINGS TWO DAYS

Lv Colorado Springs.	Mon., Aug. 30, 7.00 p.m.	A.T. & S.F.
Ar Denver.....	Mon., Aug. 30, 9.30 p.m.	"
Lv Denver.....	Mon., Aug. 30, 10.00 p.m.	U.P.R.R.
Ar Omaha.....	Tues., Aug. 31, 4.00 p.m.	"
Lv Omaha.....	Tues., Aug. 31, 6.00 p.m.	C. & N.W. Ry.
Ar Chicago.....	Wed., Sept. 1, 7.34 a.m.	"

SUGGESTIVE RETURN ROUTE NO. 3

Proposed Special Car Party

Round-trip ticket rate from Chicago, \$62.50.

Round-trip fare to Grand Canyon of Arizona, \$7.50.

Double lower berth in standard sleeper covering route of tour, \$20.00.

Double upper berth in standard sleeper covering route of tour, \$16.00.

Dining car service on all trains a la carte.

Leaving San Francisco Monday, August 16, via Southern Pacific Coast Line to Del Monte, and Santa Barbara, en route to Los Angeles, making side-trip to San Diego via A. T. & S. F., thence to the Grand Canyon of Arizona and Chicago.

Stopping six and one-half hours at Del Monte, four hours at Santa Barbara, two and one-half days in Los Angeles, two days in San Diego, and one and one-half days at the Grand Canyon of Arizona.

Lv San Francisco.... Mon., Aug. 16, 7.45 a.m. So. Pac.

Ar Del Monte..... Mon., Aug. 16, 11.34 a.m. "

REMAIN AT DEL MONTE UNTIL 7.00 P.M.

Lv Del Monte..... Mon., Aug. 16, 7.02 p.m. So. Pac.

Ar Santa Barbara.... Tues., Aug. 17, 6.25 a.m. "

REMAIN AT SANTA BARBARA UNTIL 10.25 A.M.

Lv Santa Barbara.... Tues., Aug. 17, 10.25 a.m. So. Pac.

Ar Los Angeles..... Tues., Aug. 17, 2.20 p.m. "

REMAIN IN LOS ANGELES TWO AND ONE-HALF DAYS

Lv Los Angeles..... Thur., Aug. 19, 11.59 p.m. A.T. & S.F.

Ar San Diego..... Fri., Aug. 20, 5.30 a.m. "

REMAIN AT SAN DIEGO TWO DAYS

Lv San Diego..... Sun., Aug. 22, 8.40 a.m. A.T. & S.F.

Ar Los Angeles..... Sun., Aug. 22, 12.50 p.m. "

Lv Los Angeles..... Sun., Aug. 22, 6.40 p.m. "

Ar Grand Canyon... Mon., Aug. 23, 3.40 p.m. "

REMAIN AT GRAND CANYON ONE AND ONE-HALF DAYS

Lv Grand Canyon... Tues., Aug. 24, 7.40 p.m. A.T. & S.F.

Ar Kansas City..... Thur., Aug. 26, 6.45 p.m. "

Lv Kansas City..... Thur., Aug. 26, 7.00 p.m. "

Ar Chicago..... Fri., Aug. 27, 7.43 a.m. "

SUGGESTIVE RETURN ROUTE NO. 4

Proposed Special Car Party

This return route will probably be the most popular one. A special party is now being organized. The following have signified their intentions of returning via this route: Mr. and Mrs. Hugh Willet, of Atlanta; Mr. and Mrs. Ernest J. Clark, of

Baltimore; Mr. and Mrs. Neil D. Sills, of Richmond; Mr. and Mrs. Edward Woods, Miss Marjorie Woods and Edward Wallace Woods, of Pittsburgh, and Mr. and Mrs. Everett M. Ensign, New York City. It is suggested that all other members or visitors to the convention who expect to return via Route 4 notify Corresponding Secretary Ensign at once.

Round-trip ticket rate from Chicago, \$80.00.

Double lower berth in standard sleeper via route of tour, \$28.50.

Double upper berth in standard sleeper via route of tour, \$22.80.

Dining car service on all trains a la carte.

Leaving San Francisco Monday, August 16, via Southern Pacific Coast Line to Del Monte and Santa Barbara en route Los Angeles, making side-trip to San Diego; returning via Southern Pacific to San Jose and Oakland, thence via Southern Pacific Shasta Route to Portland, O.-W. R.R. & N. Co. to Seattle, steamer to Victoria and Vancouver, Canadian Pacific Ry. to Field, Lake Louise, Banff and Portal, Soo Line to St. Paul, and C. & N. W. Ry. to Chicago.

Stopping six and one-half hours at Del Monte, four hours at Santa Barbara, two and one-half days in Los Angeles, two days in San Diego, one day in San Jose, one day in Portland, one day in Seattle, one day at Field, one day at Lake Louise, and one day at Banff (Canadian National Park).

Lv San Francisco.... Mon., Aug. 16, 7.45 a.m. So. Pac.

Ar Del Monte..... Mon., Aug. 16, 11.34 a.m. "

REMAIN AT DEL MONTE UNTIL 7.00 P.M.

Lv Del Monte..... Mon., Aug. 16, 7.02 p.m. So. Pac.

Ar Santa Barbara.... Tues., Aug. 17, 6.25 a.m. "

REMAIN AT SANTA BARBARA UNTIL 10.25 A.M.

Lv Santa Barbara.... Tues., Aug. 17, 10.25 a.m. So. Pac.

Ar Los Angeles..... Tues., Aug. 17, 2.20 p.m. "

REMAIN AT LOS ANGELES TWO AND ONE-HALF DAYS

Lv Los Angeles..... Thur., Aug. 19, 11.59 p.m. A.T. & S.F.

Ar San Diego..... Fri., Aug. 20, 5.30 a.m. "

REMAIN IN SAN DIEGO TWO DAYS

Lv San Diego..... Sun., Aug. 22, 8.40 a.m. A.T. & S.F.

Ar Los Angeles..... Sun., Aug. 22, 12.50 p.m. "

Lv Los Angeles..... Sun., Aug. 22, 6.40 p.m. So. Pac.

Ar San Jose..... Mon., Aug. 23, 7.45 a.m. "

REMAIN AT SAN JOSE UNTIL 5.25 P.M.

Visit to Mount Hamilton and the Big Trees can be made if desired.

Lv San Jose..... Mon., Aug. 23, 5.25 p.m. So. Pac.

Ar Oakland..... Mon., Aug. 23, 7.02 p.m. "

Lv Oakland..... Mon., Aug. 23, 8.50 p.m. "

Ar Shasta Springs... Tues., Aug. 24, 10.26 a.m. "

Lv Shasta Springs... Tues., Aug. 24, 10.36 a.m. "

Ar Portland..... Wed., Aug. 25, 7.20 a.m. "

REMAIN AT PORTLAND ONE DAY

Lv Portland..... Wed., Aug. 25, 11.00 p.m. O.-W.R.R. & N.

Ar Seattle..... Thur., Aug. 26, 6.15 a.m. "

REMAIN AT SEATTLE ONE DAY

Lv Seattle..... Fri., Aug. 27, 8.30 a.m. C.P. Steamer

Ar Victoria..... Fri., Aug. 27, 1.00 p.m. "

Lv Victoria..... Fri., Aug. 27, 1.45 p.m. "

Ar Vancouver..... Fri., Aug. 27, 6.15 p.m. "

Lv Vancouver..... Fri., Aug. 27, 6.45 p.m. C.P. Ry.

Ar Field..... Sat., Aug. 28, 6.30 p.m. "

REMAIN AT FIELD ONE DAY

Lv Field..... Sun., Aug. 29, 7.50 p.m. C.P. Ry.

Ar Lake Louise..... Sun., Aug. 29, 9.25 p.m. "

REMAIN AT LAKE LOUISE ONE DAY

Lv Lake Louise..... Mon., Aug. 30, 9.25 p.m. C. P. Ry.

Ar Banff..... Mon., Aug. 30, 10.40 p.m. "

(Canadian National Park)

REMAIN AT BANFF ONE DAY

Lv Banff..... Tues., Aug. 31, 10.40 p.m. C. P. Ry.

Ar St. Paul..... Thur., Sept. 2, 6.10 p.m. Soo Line

Lv St. Paul..... Thur., Sept. 2, 7.00 p.m. C. & N.W. Ry.

Ar Chicago..... Fri., Sept. 3, 7.05 p.m. "

TAXATION OF LIFE INSURANCE INCREASING.

With Lawmakers It Is Only a Question of How Much—
Time Now Ripe for an Aggressive Campaign
Against the Evil.

The following address was delivered by James M. Craig, president of the Actuarial Society of America, at its recent annual meeting. The National Association is unalterably opposed to the present vicious methods of taxation; therefore, Mr. Craig's article contributes much valuable data which will be available in the anti-taxation campaign.—Editor's Note.

It is no wonder that with pressing demands to meet the ever increasing expenses of the State and the aversion of all political parties to levy a direct tax, the funds of life insurance companies, which are always like an open book, should be levied on. In these days it is hardly necessary for every State to have any specific tax rate on life insurance premiums in order to collect taxes, because under the reciprocal laws, which seem to be uniform throughout most of the country, the same rate of tax is imposed on companies of other States as the laws of those States impose.

Although the amount of tax increases from year to year without any increase in the rate of tax, we never hear of any decrease in the rate.

As an illustration of this it may be stated that 1 per cent. of premiums received in the State of New York in 1913 would exceed $1\frac{1}{2}$ per cent. of the premiums received in 1903, so that without any increase in the rate of taxation the amount of taxes increased more than 50 per cent. in 10 years.

The practice of taxing the funds of life insurance companies is now so general that whenever the subject is brought up for legislative action, it is simply a question of how much to increase the tax. The State, if it considers the policyholders at all when dealing with this question, takes consolation in the belief that at the worst, dividends are slightly reduced on participating policies, and on non-participating policies, the insured would just as soon pay a premium with the tax added as without it. In the case of non-participating premiums, however, it would be impossible to increase premiums on existing policies to cover increased taxation. It is difficult to convince legislatures that a tax of 1 or 2 or even 3 per cent. would have any material effect on the prosperity of life insurance companies and it is so easy to levy these taxes because they are not directly imposed on the people who pay the premiums.

Upward Trend of Taxation.

One point of view is the upward trend of the rate of taxation in recent years. Without going too much into detail, I will note in a general way some of the changes which have recently taken place.

Alabama—Tax increased in 1908 from 1 to 2 per cent. on premiums received.

Arkansas—Tax of $2\frac{1}{2}$ per cent. on premiums less losses and commissions changed in 1914 to $1\frac{1}{2}$ per cent. on gross premiums. The net result of this change was an increase.

California—Tax of 1 per cent. changed in 1911 to $1\frac{1}{2}$ per cent. and again in 1913 to $1\frac{3}{4}$ per cent.

Delaware—Tax of $1\frac{1}{2}$ per cent. increased in 1907 to 2 per cent.

New Hampshire—Changed in 1910 from 1 per cent. on gross premiums to 2 per cent. on premiums less death losses.

South Carolina—Law was changed in 1909 from $\frac{1}{2}$ of 1 per cent. together with county taxes to 2 per cent. as a State tax with a decreasing rate depending on the amount invested in the State with a minimum rate of 1 per cent. In 1910 this law was amended still making the minimum rate 1 per cent. but requiring a larger investment to secure the benefit of a reduction.

Virginia—In 1911 the rate was increased from 1 per cent. to 1.4 per cent. and at the beginning of the present year this was increased to $2\frac{1}{4}$ per cent. The latter amendment made the tax a license tax and payable almost immediately so that the State received the benefit of double taxation this year.

Washington—The rate in 1908 increased from 2 per cent. on

premiums less losses to 2 per cent. on gross premiums and again increased to $2\frac{1}{4}$ per cent. in 1912.

West Virginia—A change was made in 1908 from $1\frac{1}{2}$ mills per dollar new business written to 2 per cent. on premiums.

Canada, Province of Manitoba—Tax of 1 per cent. on gross premiums was increased in 1915 to a graduated tax running from 1 per cent. on premium receipts of less than \$50,000 up to 2 per cent. on \$200,000 or more.

Nova Scotia—Changed in 1913 from registration fee of \$50 to a tax of 1 per cent. on gross premiums and again in 1915 to $1\frac{1}{4}$ per cent.

Ontario—Rate of 1 per cent. on gross premiums changed in 1914 to $1\frac{3}{4}$ per cent.

Quebec—Changed in 1906 from 1 per cent. on gross premiums less bonuses to $1\frac{3}{4}$ per cent.

Additional Burdens.

In some of the provinces an additional tax is made on investments or the income from investments.

Our friends in Canada are apt scholars on the subject of a premium income tax, for no such tax was known anywhere in the Dominion 20 years ago.

It will thus be seen that where any change is made it is always up and never down.

In order to see how great this charge against the business is in the aggregate, we find from an authoritative publication showing the business of 1913 records the payments of taxes, licenses, fees and fines of \$12,820,449 by 258 life companies. At age 35, this would pay the annual premium of \$28.11 on 456,081 whole life policies for \$1,000 each, or a total insurance of \$456,081,000.

Although the officers of life insurance companies believe, as a matter of principle, that life insurance companies should not be taxed at all, they never have raised any strenuous objection against a moderate tax. We often find it intimated that the officers of life insurance companies, having vast sums of money at their disposal for the prosecution of the business, are not so economical as they might be and this intimation is closely allied with the thought that a little more in taxation for the benefit of the State can easily be made good by a slight reduction in those expenses which are under control. Even if we assume for the sake of argument that expenses over which the companies have control can be reduced, and that increased taxation is resorted to for the double purpose of (1) enforcing such reduction, and (2) diverting the proceeds of it into the State treasury, we fail to see how such a transaction would be of any possible benefit to the policyholders. If expenses are too high and cannot be reduced voluntarily, they should be regulated by law and the saving effected revert to policyholders. The remedy certainly does not lie in an increase of taxes, for this makes a fixed charge which is beyond the power of companies to regulate.

More Aggression Needed.

The other point of view indicates that perhaps the time is ripe to take up this question in an aggressive manner. This is suggested by a law recently passed by the State of New York making provision for pensions to worthy widows in need and ranging from \$20 a month to \$60, depending on the number of children to be cared for.

The Governor in signing the bill issued a statement in which he said:

The bill tends toward the preservation and protection of the home. A careful trial of the proposed scheme may be made without a serious burden upon the localities. The bill gives opportunity to provide for the maintenance of dependent children in the homes of the widowed mothers, where it would otherwise be necessary to provide for them in institutional homes. I am convinced that the possibility of this accomplishment renders necessary the approval of this bill.

It is a familiar and well-established rule governing the custody of a child that the welfare of the child is the primary consideration. If the mother of a child is a competent and suitable person to be entrusted with its care and custody, the home of the mother is the proper place for it. Experience has shown that where, because of misfortune, the widowed mother is compelled to give up her home, and her children are provided for by persons who have no nat-

ural interest in them such children are injuriously affected thereby, and they do not become as capable citizens as would have been the case if they had remained under the control of their mother.

The sentiment here expressed is really the foundation of life insurance; for the maintenance of the children in the home of the mother is the motive which prompts many men to lay aside a portion of their income for the creation of a fund through the medium of life insurance which shall be sufficient to continue the solidarity of the home after the bread winners have passed away. Surely when life insurance companies are striving to accomplish the very thing the State commends, and without any expense to the State, the moneys which they collect ought not to be subject to the call of the tax gatherer. Even the laboring man who takes out a small industrial policy is being educated on the subject of life insurance and from the millions of industrial policyholders will come thousands and hundreds of thousands of applicants for larger amounts of insurance.

A Great Service.

Governor Whitman either consciously or unconsciously has rendered life insurance companies a great service in stating so concisely the wisdom of preserving and protecting the home. If it is a good thing for the State to provide for deserving widows through general taxation, it is a better thing to persuade men as individuals to do this on their own account for the love they bear to the members of their own households. From this point of view, there is only one logical conclusion in this matter and that is that the State should not only permit life insurance but that it should offer every possible encouragement to the companies to prosecute the business and not impair their usefulness by undue taxation.

In this connection attention is also called to a bill introduced in the last Pennsylvania legislature which recited:

Whereas, it is to the interest of the commonwealth and the various counties and municipal divisions thereof to encourage its citizens to reasonably provide for their own support during old age whereby the financial burden of their maintenance may be avoided therefor.

Section 1. Any policy or contract of insurance or annuity heretofore or hereafter taken out or issued by any insurance company, domestic or foreign, lawfully doing business in this commonwealth, to any solvent citizen thereof, whereof the said insured or purchaser for said annuity shall be the beneficiary or annuitant, not exceeding in income or return therefrom \$100 per month, shall be exempt and free and clear from the claims of all his or her creditors and from all legal and judicial processes of execution, attachment or otherwise whatsoever.

While this bill was limited in its scope and moreover did not become a law, yet it is an indication that the impression prevails in the minds of some lawmakers that life insurance policies should be accorded some measure of relief.

Changing the phrasology of this preamble and bill, so that they would more correctly state the conditions and needs, they would read somewhat as follows:

Whereas, it is to the interest of the commonwealth and the various counties and municipal divisions thereof, to encourage its citizens to reasonably provide for the future support of their families whereby the financial burden of their maintenance by general taxation may be avoided, therefore be it

Enacted, Section 1. All premiums paid on any policy or contract of insurance or annuity heretofore or hereafter taken out or issued by any insurance company, domestic or foreign, lawfully doing business in this commonwealth, to any solvent citizen thereof, shall be exempt from taxation by the commonwealth and the various counties and municipal divisions thereof, and any such policy or contract of insurance or annuity which produces an income not exceeding \$100 per month, shall be exempt and free and clear from claims of creditors and from all legal and judicial processes of execution, attachment or otherwise whatsoever.

We cannot but regard it as unfortunate that no tangible results have been secured from the recommendations made in 1908 by the committee of eight members of the Convention of Insurance Commissioners in favor of uniform tax laws. Through

the united action of these commissioners uniform laws exist practically throughout the country on all the important functions of the life insurance companies; but this one question of taxation seems to have never reached the point of energetic co-operative action. It is a fact worthy of note that of the eight States represented by the commissioners who signed the report, only one has made any change in the tax law and in that State two changes have been made and each one was an increase in the existing tax rate.

The situation as presented to the commissioners in the following paragraph could hardly be improved upon and will serve as the foundation at any time for an aggressive movement.

Life insurance is not a system of old age pensions adopted by the State as a public charity and supported by a burdensome general tax; nor does it contemplate public orphanages, old ladies' homes, or other public charities maintained at the expense of the State. So far as it goes, it is a substitute for all of these and if universal would obviate the necessity of them all. Hence, the State should encourage it, not hinder it; it should help it, not hurt it.

Let us hope that some day a man of strong convictions will plead for the policyholders in the Commissioners' Convention with such force as to secure the united action of that important body for the abrogation of all tax laws applying to life insurance or as an alternative, a nominal tax which shall be uniform in all the States.

Gibson Bill Defeated in Texas.

The death of the Gibson bill in the Texas State Senate was preceded by one of the bitterest debates in years. After passing the House by a comfortable majority it was killed in the Senate by a vote of fifteen to twelve. By invitation, Governor Ferguson spoke for the measure.

It is predicted that Governor Ferguson will call a special session of the Legislature next fall to reconsider the repeal or modification of the Robertson law.

The Governor sent a special message to the Legislature urging the limiting of life insurance loans to a maximum interest of seven per cent. per annum. Immediately bills to that effect were introduced in both branches of the Legislature.

During one of the heated periods of the debate Senator Gibson attempted to hurl an ink well at Senator Lattimore of the opposition. Other vitriolic passages nearly precipitated encounters. E. D. Schumacher, of Hillsboro, who lead the fight for the passage of the measure, emphatically denied the accusations made on the floor that the large insurance companies which left the State have maintained a lobby at Austin. Mr. Schumacher avers that he was employed by Texas business men who were interested in having the large life companies return to Texas.

Charges of "personal interest" were made by both sides, and finally a resolution was adopted requiring each senator to disclose his interest in the life companies. The responses, however, elicited nothing sensational.

The purpose of the Gibson bill was to repeal the drastic features of the Robertson law, provide for a graduated tax on gross premiums and get rid of the provision that required the outstanding companies to pay back taxes on readmission. The proposal to repeal the tax provision aroused the most vigorous protest, because it was estimated that the back taxes, said to be due, will amount to approximately \$1,000,000.

Weekly Underwriter's Insurance Almanac.

The NEWS acknowledges receipt of the 1915 Insurance Almanac published by the Underwriter Printing and Publishing Company. The 1915 issue contains much valuable information concerning all phases of the insurance business. The editors have paid particular attention to the compilation of statistics concerning underwriters' associations, statutory requirements, the summary of workmen's compensation laws in various States and up-to-the-minute legislative matters affecting insurance.

The insurance statistics, however, are supplemented with information concerning our government, national and State, population, commercial and financial statistics which have to do, or are closely connected, with the business of insurance. The price of the publication is one dollar. It can be purchased from *The Weekly Underwriter*, 80 Maiden Lane, New York City.

WOULD ELIMINATE PART-TIME AGENT.

Quality in Solicitors Counts for Much More Than Quantity—The Irregular Agent Is Only One Who Can Afford to Rebate.

The following address was delivered by Horace R. Hunter, president of the San Francisco association, before a recent meeting of that body. It is the keynote to the present administration of the San Francisco association and the campaign which Mr. Hunter proposes will be watched with interest.—Editor's Note.

I made a special appeal to you to attend this meeting, as I have decided to address the association on a matter which I consider of vital importance, not only to the general agents, managers and field men, but to the fundamentals of the life insurance business.

In doing this I want it clearly and distinctly understood that my remarks are general and not directed at any company or individual. I also realize that there are many who will disagree with me, but when they consider the matter broadly and from an impersonal viewpoint, I feel that they must appreciate the truth in my remarks.

My subject is, "The Part-time Man in Life Insurance."

The part he plays in our great profession is one that has attracted my attention almost from the first day of my entry into this business and the more I study the situation the more certain I am that his existence is fraught with evil results.

The subject as I will discuss it groups itself naturally into three parts.

(1) How life insurance is written in the State of California to-day.

(2) How it should be written.

(3) How it will be written unless we recognize the handwriting on the wall and heed it.

With few exceptions, general agents and managers utilize many men in other lines of business and professions, some under actual contracts and others under agreements, many of them without licenses to write life insurance, and these men are known as part-timers. There is scarcely a large business office in this city (and I don't suppose this city is any exception), where there is not one or more of these part-time men at work. In almost every bank in this city and in most of the country banks some of these vampires of the life insurance business are employed, preying on the business of the legitimate full-time insurance man.

Discouraging.

The regularly licensed and full-time insurance man does all the work on a prospect only to lose the business to one of these men who are paid good salaries and should give their exclusive attention to the line of business they have chosen, but who deprive the regular agent of his just reward.

Is it any wonder that life insurance solicitors as a class are looked upon by the public as they are? Is it any wonder that only about 5 per cent. of those taking up life insurance as a regular business are able to succeed? The man in this business who can succeed against the great handicap now imposed is certainly to be congratulated.

I know of a case right here in this city where a man called upon his lawyer and submitted a policy of one of the best old line companies. The lawyer told his client that he knew of a better company and a better contract and acting upon his advice his client took the policy from the other company and Mr. Lawyer received 50 per cent. of the commission, but his client did not know it. When the second year's premium was due on this policy it was allowed to lapse and the inference is that the lawyer wrote his client in another company and received his commission again, as the man in question is now carrying insurance in a company other than the one in which he was first insured.

I contend that in recognizing the part-time man you are not only failing to protect your regular full-time man, but that you are in many cases, exposing him to the temptation of rebating. These part-time men are the ones who can afford to rebate and who do so to a great extent in order to get the business from the legitimate agent and the agent is sorely tempted to fight fire with fire.

Again, you are doing the part-time man an injury and you are

not treating his employer right, as no man can serve two masters and be entirely loyal to both. He is sure to neglect the work of the man who pays him a salary in order to gain a little extra money which you are willing to see him take out of the legitimate earnings of your regular full-time, professional, educated, life insurance agent.

We are taught to believe that life insurance is a great profession and personally I think it is. Therefore, I cannot see why this profession should be exposed to the sniping of the uneducated part-time man (who cares only for the monetary gain), any more than the medical profession should be degraded by the quack doctor and unlicensed practitioner.

In justice to the men who have decided to take up life insurance as a regular business and identify themselves with some special company, I think the part-time man should be eliminated, and I want to say to you general agents and managers right here that if you will band together and agree to discontinue the use of the part-time man you will be able to get more high class agents and men that will be a credit to the business, because they will realize that under such conditions they will be better able to make a decent living and that the business is one of dignity and that it holds some future for them.

For Better Results.

Do away with the part-time man and get closer to your regular agents. Spend the time and money on him that you spend in developing the part-timer and you are sure to reap better results and have associated with you a class of men with whom you will be proud to associate and who by virtue of getting all their legitimate business will not be calling upon you for advances.

Another detriment to the part-time man is that if he can't get the business himself because of lack of technical knowledge or from a failure to apply himself, he keeps the regular agent from getting it by destructive tactics. He holds the business up and not only makes it hard for the regular agent, but also prevents the public from taking insurance at a time when it should be written.

I consider a good life insurance man (I mean one who can write and deliver insurance) one of the best assets in a community and it is a criminal thing to hinder such a man in his great work. If a man does not think enough of the future prospects in our business to take it up and give it an honest, fair trial, then let him stay where he is and not hinder those who have sacrificed everything to try and succeed in this work.

I believe if you will do away with the part-timers and advertise this fact that you will get all the good agents you want and be able to retain them and that you will receive a much better and more lasting class of business. Of course it will take a little time to make the change, but as soon as the results show themselves, I am sure it will be a great revelation.

Make Careful Selections.

Life insurance agents should be selected with great care. If this were done, many men now carrying the rate book would be eliminated, and there would be a greater volume of business written and more money in it for the men who write it. The life insurance field is and always has been a mecca for those who have failed in other lines and for those who have met with financial reverses. Many of these men have no intention of staying permanently in the business, their only object being to pick up a little easy money from their friends.

In this day of competition in all lines, service is the key to success. As a usual thing the part-time man has neither the knowledge nor the inclination to render this service.

Quality in agents counts for much more than quantity. As it is now, every "Tom, Dick and Harry" is privileged to write life insurance while but few are able to make even a decent living out of it.

We are living in a very fast age and the dear public is clamoring for regulation of everything and everybody. If the methods of our great business are not improved, but are allowed to become more and more lax as regards the selling end, the public will soon be demanding State insurance, where everybody can get life insurance at the counter and do away altogether with the agent and his commission.

The public is getting an inflated idea of the size of the agent's commission from the experiences with part-time men, and the

further this is allowed to develop the more menacing it becomes to the future welfare of our business.

If the insurance business were conducted on the high plane that it should be, it would offer every attractive inducement to high-class men entering business life and unless some heed is paid to the warning being given to the general agents and managers throughout the country by our National Association workers, there will be but one alternative left to the field man and that will be to protect himself by forming a national agents' association and demanding just treatment.

In analyzing the position of the part-time man, I don't mean to put in this category the man who devotes his entire time to writing general insurance, but I refer particularly to men engaged in other lines of business, such as the banker, the doctor, the lawyer and the clerk. These are the men whom I contend have no right to be depriving the legitimate life insurance man of his living.

Many of you have, no doubt, heard me air my views on this subject on other occasions and while some of you may not agree with me at this time, I am sure the time is coming when you will be only too glad to co-operate in such a movement as I have suggested.

If you will pardon a personal digression, I will take pleasure in telling you a little of my own history. I started my business career as a railroad employe and served continuously in this capacity in various positions for 22 years, but decided about 5 years ago to enter the field which I had craved for many years, that is, life insurance. I felt that I was to a certain extent qualified for this work, but, notwithstanding my desire to make the change, I remained loyal to the company by which I was employed and gave them my full time and when I finally decided to take up life insurance, I severed my connections entirely with my work and entered this business as a full-time man and feel that I have made, to say the least, as good a success of it as the average man in this business.

I wish to make it plain to you, gentlemen, that if I am in this business, as I hope to be for the remainder of my life, my most earnest efforts will be put forward for the betterment of the business and the elimination of the part-time man and everything that I feel is a detriment to our great profession.

MEMBERS of local associations who intend to submit essays in the Prize Essay Contest, should bear in mind that essays should reach the office of the Corresponding Secretary on or before July 1, 1915.

The Corresponding Secretary desires to acknowledge receipt of the following essays:

Essay 1846

Essay 123

PROF. BRUCE D. MUDGETT'S MONOGRAM.

Disability Provisions Have Not Yet Attained Their Full Possibilities—Many Contracts Fail to Provide Proper Relief.

While it may be true that the American life insurance companies have more quickly adopted total disability provisions than any other particular feature of policy contracts, there is still room for improvement. Disability provisions have not as yet attained their full possibilities, all things considered, according to Prof. Bruce D. Mudgett, instructor in insurance, Wharton School, University of Pennsylvania. Prof. Mudgett contributed a monogram on the total disability provision in American life insurance contracts, in the May Volume of the Annals of the American Academy of Political and Social Science. Professor Mudgett's monogram is ably reviewed by Dr. S. S. Huebner, of the same institution, and editor of the text-book on life insurance, which is now being published under the auspices of the National Association. Dr. Huebner, in his introduction, states that many life insurance contracts do not provide for relief in the event of the insured's total disability, and to that extent life insurance fails to perform its full mission, in that it does not absolutely eliminate the element of uncertainty.

In concluding his introduction, Dr. Huebner states as follows:

But, as already stated, the family, in the event of the breadwinner's disability, stands in need of an especially large income to meet its increased burdens. For this reason the writer feels that the disability clause should provide (1) for the payment of the policy in 10 rather than 20 instalments, and (2) in case of survival when the last payment has been made for a continuation of the instalments throughout the disabled policyholder's life-time. The 10-instalment plan is suggested instead of 20 payments because the latter, in order to furnish a substantial allowance, will require an amount of insurance larger than the average person feels able to carry. The continuous instalment feature is suggested because it can be granted for a very small additional premium, the average life of a person following total and permanent disability being said to be somewhat less than two years. Moreover, all disability clauses now in use define disability as "inability to perform the duties of any occupation for gain or profit." A strict application of this definition is not only apt to lead to disagreement between policyholder and company, but may in many cases fail to afford the relief which the dictates of justice hold to be valid. Rarely will a person be so disabled for any length of time as to be totally incapable of making some little income. But the real question is: Is the policyholder so incapacitated as to be rendered incapable of pursuing any longer his regular vocation; and, although still able to perform some sort of service in some new occupation, is he able to earn more than a mere fraction of his former income?" The writer agrees with Dr. Mudgett's conclusion that disability should be defined by the companies with reference to the insured's particular occupation, as is now done by some accident and health policies.

The first three chapters of Prof. Mudgett's monogram discuss the historical development of disability insurance, the reasons for and objections to the disability clause, and the measurement of the risk of disability.

However, this able statistical study of disability insurance is really introductory to the main theme, which is a detailed study of the clauses issued by the American life insurance companies. We are told that 144 companies, organized on the old line plan, were found by the writer to have inserted the disability clause in some or all of their policies since 1896. The study of these clauses includes an analysis of the following features:

1. Policies or risks on which the clause is not granted.
2. Definition of disability.
3. Age and time limits to the application of the clause.
4. Benefits granted.

Space will not permit a digest of this section of the treatise. It should be said, however, that Prof. Mudgett's monogram contains in easily readable form a vast amount of information

(Continued on page 13.)

Life Association News

A MONTHLY JOURNAL DEVOTED TO THE INTERESTS OF ALL
LIFE INSURANCE AGENTS.

PUBLISHED BY THE
NATIONAL ASSOCIATION OF LIFE UNDERWRITERS

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ARTICLE II OF THE CONSTITUTION.

"The object of this association shall be to advance the best interests of the cause of true life insurance."

Address all communications to
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Telephone, 4244 John.

LIFE ASSOCIATION NEWS, 56 Pine Street, New York City.

This newspaper is owned by the National Association of Life Underwriters, unincorporated, a voluntary association; Hugh M. Willet, president, Fourth Nat. Bank Bldg., Atlanta, Ga.; J. Henry Johnson, secretary, Lee Bldg., Oklahoma City, Okla.; H. Wibirt Spence, treasurer, 306 Penobscot Bldg., Detroit, Mich.

SUBSCRIPTION PRICE \$1.00 A YEAR IN ADVANCE.

Woman Denounces Unjust Taxation.

For many years we have attempted to solve the problem of the solicitation of life insurance by means of an algebraic equation. X has represented the unknown quantity. The principal factors which contributed to establish an unknown quantity were the uncertainty of the physical condition of the insurant and the uncertainty of the solicitor's ability to induce the prospect to purchase life insurance.

It seemed a perfectly good equation, but the solution has always been more or less unsatisfactory. The ultimate results were only determinable by the law of average, and by this standard we have arrived at the following conclusions:

1. Only one out of about 15 eligible prospects are insured from year to year.
2. Men, women and children of America are indemnified by life insurance against all future contingencies to the extent of only \$200 per capita.
3. A life insurance salesman is *persona non grata* in the offices of 30 per cent. of the business and professional men of the United States.
4. The work of the average agent is about nine policies sold to 134 actual interviews (not calls) per month.

X has represented the element of uncertainty which existed, and in arriving at the above results we are not satisfied.

Our dissatisfaction will undoubtedly be increased when we stop to consider that our calculations have been based upon false promises. X does not represent the unknown quantity. X represents approximately but half of the unknown quantity. The reason of this is that life insurance has not taken into consideration the influence which Woman has in the equation. According to the census of 1910, there are 44,640,144 women in the United States, as compared with 47,332,122 men.

The solicitation of life insurance is not entirely a masculine proposition. That there are many instances of where the wife objects, proves this assertion. Practically all life insurance, unless written on the endowment plan, accrues to the benefit of women.

This is merely introductory and explanatory to the fact that calculations in the future, tending to establish a standard of agency operations, must take into consideration not merely one-half of the unknown quantity, but X hereafter must actually represent the unknown quantity in its entirety.

The influence of Woman, so far as life insurance is concerned, is emphatically emphasized in another important particular. Mrs. Dorothy McDonnell Rolph was recently appointed Insurance Commissioner of Colorado, and so far as our knowledge extends, Mrs. Rolph is the first woman who has ever served in that capacity in any State in the Union.

The Seattle Offices of the PACIFIC MUTUAL LIFE INSURANCE COMPANY

Under the Management of

H. H. WARD, Manager PACIFIC NORTHWEST
and

W. D. MEAD, State General Agent for WASHINGTON (Accident Department)

REMOVED June 1, 1915, from the older part of town in the Hoge Building, to the new metropolitan center of civic and business life in the newly erected STUART BUILDING, on Fourth Ave. from University to Union Sts.

"COME TO THE PACIFIC WITH WARD"

303-4-5-6 Title and Trust Building, 89 Fourth St., PORTLAND, ORE.

557-8-9 Stuart Bldg., 1304 Fourth Ave., SEATTLE, WASH.

All delegates to San Francisco Convention who plan visiting Seattle and Portland are invited to make our offices their general headquarters for mail and for information.

That Mrs. Rolph is fully cognizant of the responsibilities of her duties; that her mental processes are tempered as were Portia's, with a sense of calm justice, is evidenced by her recent report of the Insurance Department.

In this document, which is the 33d Annual Report, we find the following in relation to taxation.

The fees and taxes collected by this department are 15 times more than the cost of its operation. Inasmuch as the two per cent. tax on premiums paid for insurance protection is a tax upon the insuring public, and is expended for purposes other than the supervision of insurance companies, it is an injustice to the citizens of Colorado and I recommend that it be reduced to one per cent. This suggestion is in conformity with a uniform movement throughout the United States to equalize the taxes of insurance companies for the various States. One per cent. with the other fees would still leave an income that would provide for all operating expenses of the department and for any unforeseen contingencies that might arise.

This pronouncement is indeed a remarkable tribute to the business intelligence and the spirit of fair play on the part of the only woman Insurance Commissioner of the United States. The statement is brief, but its logic is incontrovertible.

Professor Mudgett's Monogram.

(Continued from page 11.)

relative to disability provisions. It would not be in the nature of an exaggeration to assert that it is the most complete and thorough exposition of disability provisions which has as yet been put forth.

An idea of the ground covered may be obtained from the following concluding paragraphs.

The foregoing study, makes possible a statement of some of the factors that should govern the future development of the disability clause. It has been found that the main motive back of its rapid rise to popular favor is commercial—a constant need of the solicitor for a new feature, a "talking point," and the keen appreciation on his part that the disability clause furnishes it. It has been further shown that the risk of total and permanent disability is a real and tangible one and that its occurrence may easily endanger the permanence of one's insurance. The idea of furnishing a real insurance feature has prompted the issue of the clause in many cases. These two motives, the altruistic and the commercial, have

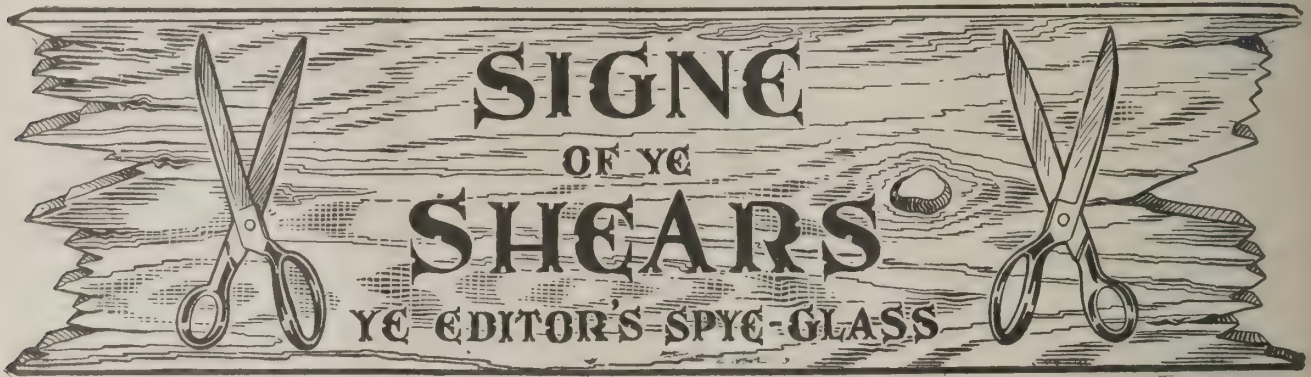
combined in bringing into existence a multitude of clauses, some good, some worthless, and some a curious admixture of the good and the bad. The business motive has led some companies to adopt clauses for no other purpose than to meet competition and the results are a disgrace to American life insurance; while other clauses show that they have had behind them the very best of careful and thoughtful consideration of the problems involved. It is plain that we have as yet no adequate knowledge of this risk in its relation to life insurance and we must permit the companies to go slowly in making the clause all that it should be, lest they make a mistake in the direction of too great liberality. Such a false step might only destroy the progress thus far made.

Three fundamental criticisms can be brought against the majority of disability clauses now issued: (1) the definition of disability; (2) the benefit given; and (3) restrictions under which the clause is granted. One way of meeting these criticisms is to frame a clause embodying in it all those features which are desired and which the present study has found to be safe. But this plan has inherent defects. In the first place, the same circumstances do not exist with every company—one writes participating insurance, another does not, the question of dividends being important in the first instance and never arising in the second; one company charges a premium for the clause, another pays the costs out of surplus, the first having need of a cancellation clause, the second not—and so in many instances the differences in method require a corresponding difference in the provisions of the disability clause. The desirability, therefore, of attempting to frame a clause for general use is questionable. A second objection that faces the writer is the difficulty of obtaining a clause that would meet all the legal requirements of various companies. Equally satisfactory results can be obtained by laying down certain principles that should be embodied in every contract, and leaving it to the companies themselves to frame their clauses with these principles in mind.

The three points at which the disability clause is especially open to criticism are stated in the preceding paragraph. Disability is defined by all clauses to-day as inability to perform the duties of *any* occupation for gain or profit. It should be defined with reference to the particular occupation in which the insured is engaged. The life insurance companies should note that it is so defined to-day by some companies issuing accident and health policies. Benefits should furthermore be paid for disability *due to any cause whatever* where fraud is not present. The restrictions now existing in many clauses whereby only a limited number of cases of disability are covered should be completely done away with.

In the second place the benefit given after disability should in no case be less in money value than the insured would receive could he continue his insurance in force until death; and he should have the option of choosing between a "maturity" benefit and mere waiver of premiums. If the maturity benefit is not the full equivalent of the face value of the policy it should in no case be of less value than the waiver of premium benefit—and the latter will be equal to the present value of the sum insured computed on the basis of the mortality rate existing among disabled lives. Further—

(Concluded on page 21.)



The Self-Analysis Campaign.

It is not an item of news to the leading life underwriters of the country that an effort is being made by the National Association to arrive at some dependable standards for the selection and training of agents. A large proportion of successful life underwriters are already familiar with the plan because they have been requested to fill out a form adopted by the committee. Thus far the response has not been entirely satisfactory; the number of replies received by the corresponding secretary are hardly sufficient to warrant a general analysis and calculation of averages.

However, it is probable that the number of replies will be sufficiently augmented within the next few weeks, to enable Vice-President Edward A. Woods to present an analysis of great value at the San Francisco Convention.

Field Notes is rather skeptical as to the outcome of the plan. While admitting the potentialities of the idea, its observations are in a minor key. To quote:

The scientific method of thinking consists in the collection and classification of facts to the end that accurate descriptions of processes may be substituted for mere inferences and prejudices concerning them. The National Association of Life Underwriters is considering the distribution of a list of questions among a large number of successful life insurance salesmen. It is evidently hoped that by this means some definite information on the essentials of agency success may be extracted. The list of questions covers every conceivable relation and attitude toward his business by the agent answering. The proportion of business closed on first interviews, proportion secured from old policyholders, number of calls per day, habits as to business hours, system used, are a few of the questions asked under the subject of "Methods."

If the Association can secure accurate and sincere answers to these questions from a large number of successful salesmen, a tabulation thereof may give some valuable light on the means of selecting success. To establish the value of method in reaching success would alone be worth the trouble. But as few men are able or take the trouble to analyze themselves and their work, so few are ever able to give much accurate and valuable information in this way.

The Eastern Underwriter offers some interesting comments, but seems to fear that the analysis will fail in one essential particular. This paper contends that Personality has much to do with successful life underwriting and that Personality is a quality which cannot be ascertained, gauged or measured by the methods employed by the National Association. *The Eastern Underwriter* refers to the real secret of success as "the hidden force or punch." We take pleasure in reproducing *The Eastern Underwriter's* argument.

The National Association of Life Underwriters is receiving numerous replies to its circular letter asking questions regarding agents in order that a comprehensive report can be prepared which will throw an illuminating light on scientific salesmanship. The inquiry has met general approval. Nothing is of greater moment than the carrying out of a plan to standardize salesmen; to do away with the tremendous waste there is in developing selling talent in the life insurance business to-day. As those who have read the list of questions know (the list was published some time ago in *The Eastern Underwriter*), the association will have a fairly

accurate line on the type of agents who succeeds and who fails when the replies are all in and compiled.

However, there is one important feature in salesmanship that cannot be transcribed to paper, and that is personality. No matter how infinitesimal the description of manner in which a man works, he cannot describe intelligently the impression he makes on the man he interviews; and there are thousands of successful life insurance men who cannot tell for the life of them how they operate.

In a small Southwestern town there is a life-insurance agent who either leads or is in the van of his company's producers year after year. This agent is particularly modest and never visited the Home Office until a few months ago. The company decided to make his visit an event, and arranged a dinner at which the star producer was to be the leading speaker. It was thought that he would give valuable pointers to his fellow agents. The Southerner arrived in town and produced a most amazing impression. He wore a celluloid collar, a self-adjustable black bow tie, a suit of clothes which would have created a riot on Broadway. In manner he was abrupt; in speech, without refinement. The superintendent of agents looked him over and could not diagnose his success. The officers of the company studied him with minute curiosity and were equally nonplussed. It did not seem possible that this was their star agent; and, yet, there was the record to tell the story!

Agents from a considerable territory, adjacent to the Home Office, arrived and the banquet started. The different officers of the company made glowing speeches telling of the wonderful achievements in production scored by the star, who listened without changing his expression, looking rather bored. The other agents stole surreptitious glances at him, but remained puzzled. Finally, it came the star's chance to speak. He arose, shifted about nervously, said doggedly: "How do I explain my success? There ain't no explanation. I just go out and deliver the goods."

He sat down. No one was disappointed in his eighteen-word speech. It explained the man.

The largest personal producer in New York is a man who got his education through experience. He is not distinguished for polish. He would not be picked out as a great salesman. He has no earmarks of dominating superiority; and, yet, he is able to write a Governor of a State, a financier of top rank, or an East side baker with equal ease.

Another large producer in New York has the most remarkable flow of language that has ever been heard outside of a political or evangelical convention. He is a human dynamo, and when once he reaches a man he carries him along with a rush of eloquence that makes the prospect capitulate before he leaves his office.

One of the most unagent-looking agents in the life insurance business and one of the most successful is Courteney Barber, general agent of the Equitable Life Assurance Society in Chicago. Mr. Barber looks more like a university president or a clergyman of a large city church than a producer, and, yet, he has written more than a million a year on several occasions, and, even now, when he has the responsibility of a large general agency on his shoulders, he does not find it difficult to produce \$700,000 of personal business in a year.

So here we have a quartette of agents with strikingly con-

trasting personalities and all making good in the great field of life insurance, the common benefactor of humanity. The rough diamond, who wears a celluloid collar, and cannot give an intelligent expression of his work, leads his company; the man who started humbly in the great city and has no surface polish achieves a remarkable success with people in all walks of life; the six-cylinder agent, with the gift of oratory, overcomes all obstacles; and the scholarly agent of quiet manner produces \$700,000 a year while managing a big agency at the same time. Back of all this success is an intangible personality that is impossible to describe by printer's ink. In the slang of the day it can be called "punch."

In the case of Mr. Barber, however, there is a definite method of salesmanship that can be partly explained, and some account of this will be given.

First of all, Mr. Barber realizes as few other agents and general agents do, the value of time. He also understands the importance of mood and the vantage point of attack. It has been said of him that "he has Chicago trained," having educated business men there to the desirability of talking insurance in an insurance office. He does not, nor does he permit one of his agents to make haphazard calls. If he wants to see a man he telephones to him, and makes an appointment. The agents work along the same lines. If possible, this meeting is to take place in the Equitable Life's offices in Chicago. The advantages of fixing the place of meeting in the company office are many. The main point is one of psychology. It is explained as follows:

When a person goes into a doctor's office he does so for the purpose of consulting him about his physical condition. When he goes to the store it is to make a purchase. When he goes to church it is to listen to a sermon and to pray. So when a man calls upon an agent his mind is attuned to insurance. He is not thinking about the ball game, his wife's dressmaking bills or his golf score. Thus, the agent commands his attention immediately and it is easy to drive home arguments.

A cynical agent might say that it is all very well to talk this way, but how are you going to get a man to enter your office by just telephoning him? The answer is that Mr. Barber does it, and that his callers are the leading people of Chicago.

On the other hand, if a man does not have time to come to Mr. Barber's office, or there are other reasons which make such a visit inopportune, Mr. Barber arranges the meeting in the prospect's office. The same psychology is at work here, too. The prospect knows that a life insurance man has called to see him about life insurance. He is ready to hear the agent present the facts. This is done with simplicity and force.

Great credit is due Mr. Barber for his work in putting life insurance on such a high professional basis in Chicago. His methods have helped the entire business.

Everyone cannot have an attractive personality, and there is no way of measuring the degrees of charm. Ellen Terry was a great success in Bernard Shaw's "Captain Brassbound's Conversion," while Gertrude Kingston, with almost as much experience and just as able technique, has not been. But it will be invariably found that back of personality is a system and a force which go a considerable way in winning success, and if an agent has not a winning manner he may have a number of other qualities which will more than offset this. Certainly, many agents who are not of "the good fellow type," or who have not those natural qualities which draw other men toward them, write a large volume of life insurance.

It will be interesting to see whether the National Association of Life Underwriters in its attempt to standardize salesmanship discovers the hidden force or punch. It may be able to ferret out the intangible in some manner, and present an analysis which will be even more valuable than the scope of the inquiry as first contemplated.

The Eastern Underwriter has unconsciously put upon the National Association a task somewhat similar to that assumed by a colored preacher, who said to his flock one Sunday morning, "Brethern and Sistahs, Ise goin' to preach a very pow'ful dis-cose. In de fust place Ise goin' to explain de unexplainable;

in de second place Ise goin' to define de undefinable; and in de third place Ise goin' to unscrew de inscrutable."

The National Association intends to make no attempt to "ferret out the intangible." It proposes to secure facts—facts that never before have been secured from a large group. A careful collation of these facts will undoubtedly reveal the information sought.

Personality is a much abused word. Personality, all things considered, does not depend on the individual who possesses it, but upon the viewpoint of other people. Theodore Roosevelt has an attractive Personality to some people—several millions of citizens but Roosevelt's Personality does not appeal to some people—several millions. Woodrow Wilson is popular with those people who are attracted by his Personality. But if Mr. Wilson is nominated for a second term, the results of the election will record the exact number of voters to whom Mr. Wilson's Personality did not appeal.

Let us imagine, for instance, that Woodrow Wilson and Theodore Roosevelt were insurance agents, and each were equal in all respects, but differed only as to their respective Personalities. Mr. Wilson, by reason of his Personality, would be able to sell insurance to people who would not listen to Mr. Roosevelt, and on the other hand Mr. Roosevelt would be able to sell insurance to those who would not listen to Mr. Wilson.

All sizes, grades, degrees and varieties of Personalities are needed in the solicitation of life insurance, because in prospects there are all sizes, grades, degrees and varieties of Personalities.

We know in advance that the value of Personality, in the generally accepted meaning of the term, has been largely overrated. Success in soliciting life insurance is not a matter of speed, but a problem of endurance. General agents and managers are not searching for brilliant but erratic genius, or men of the Wallingford type. The big and permanent successes of the life insurance business have, on the average, been made by men who work hard and systematically Good old Dobbin, who jogs along at a steady and even pace day after day, is the horse to place your bets on.

After all, Personality will generally take care of itself. A solicitor, after he has been in the business for two or three years naturally gravitates to that particular class of prospects to which his Personality is attuned.

A Windy Citizen of the Windy City.

There are a number of evening newspapers throughout the United States publishing a series of cartoons, bearing the caption, "The Worst Is Yet to Come." Life insurance men, though, have nothing to fear, for the worst arrived but a few weeks ago in Chicago.

If Chicago were Denmark we might be guilty of the famous and forceful ejaculation of Marcellus. Yes, we could even go a step farther, but on second thought we have decided that it is not worth while.

It is utterly foolish to discharge a 42 centimeter gun at a mosquito.

There lives in Chicago a certain G. S. Hughes, who early last month, as Democratic candidate for Congress in the second district of Illinois, issued an announcement of his principles, in which he made a statement regarding life insurance which is the very limit of insanity.

This is what he said:

Life insurance should be suppressed.

January 1, 1914, 260 life-insurance corporations reported: assets, \$4,658,696,337; premiums received, 1913, \$714,809,356; total income for year, \$945,586,094; payments to policyholders (losses, dividends, surrenders, etc.), \$469,588,123; total expenditures, \$660,543,078. To me it is plain that they take from the people \$945 and return \$469. And that is not all, nor worst. A few men have "in trust" a fund of \$4,658,000,000 to use for good or for bad. These few men with four billions of obligations payable in "standard gold coin" control the banks and threaten the government.—To control them is impossible. Destruction is the only safe course.

Poor fellow! He is more to be pitied than censured. The saddest part of the entire affair is that it is just such men who pass the laws which tax policyholders over \$13,000,000 yearly.

THE SAN FRANCISCO CONVENTION CLUB

Following is a list of members of local associations, and relatives of such members, who will assemble at Chicago on the morning of August 5, where the Convention Special will be taken for San Francisco. Underwriters throughout the country who expect to join this party are requested to send in their names and the names of relatives or friends who will accompany them. The list will appear each month, and will be augmented as additional names are sent in.

Mr. A. L. Abt, Akron, Ohio.
 Mrs. A. L. Abt, Akron, Ohio.
 Mr. P. L. Bowen, Cleveland Ohio.
 Mr. David C. Bowen, Cleveland, Ohio.
 Mr. J. W. Bishop, Chattanooga, Tenn.
 Mr. Frank D. Buser, Philadelphia, Pa.
 Mrs. Frank D. Buser, Philadelphia, Pa.
 Mr. F. C. Butts, Minneapolis, Minn.
 Mr. Augustus Byers, Columbia, S. C.
 Mrs. Augustus Byers, Columbia, S. C.
 Mr. George W. Cannon, Davenport, Iowa.
 Mrs. George W. Cannon, Davenport, Iowa.
 Mr. W. G. Carroll, Philadelphia, Pa.
 Mrs. W. G. Carroll, Philadelphia, Pa.
 Miss Carroll, Philadelphia, Pa.
 Mr. Fred N. Cheney, St. Louis, Mo.
 Mr. Ernest J. Clark, Baltimore, Md.
 Mrs. Ernest J. Clark, Baltimore, Md.
 Mr. Richard E. Cochran, New York City.
 Mrs. Richard E. Cochran, New York City.
 Miss Isabel Conlin, Boston, Mass.
 Miss Marcella Conlin, Boston, Mass.
 Mr. James M. Dickey, Erie, Pa.
 Mrs. James M. Dickey, Erie, Pa.
 Mr. Chas. Jerome Edwards, Brooklyn, N. Y.
 Mr. Everett M. Ensign, New York City.
 Mrs. Everett M. Ensign, New York City.
 Mr. E. E. Flickinger, Indianapolis, Ind.
 Mr. Wm. M. Furey, Pittsburgh, Pa.
 Mrs. Wm. M. Furey, Pittsburgh, Pa.
 Mr. A. S. Glover, Chattanooga, Tenn.
 Mrs. A. S. Glover, Chattanooga, Tenn.
 Dr. C. B. Graham, Charleston, W. Va.
 Mrs. C. B. Graham, Charleston, W. Va.
 Miss Eunice Graham, Charleston, W. Va.
 Mr. Warren M. Horner, Minneapolis, Minn.
 Mrs. Warren M. Horner, Minneapolis, Minn.
 Miss Helen Horner, Minneapolis, Minn.
 Mr. J. J. Jackson, Cleveland, Ohio.
 Mrs. J. J. Jackson, Cleveland, Ohio.
 Mr. J. Henry Johnson, Oklahoma City, Okla.
 Mrs. J. Henry Johnson, Oklahoma City, Okla.

Mr. William Klusmeier, Cincinnati, Ohio.
 Mrs. William Klusmeier, Cincinnati, Ohio.
 Mr. H. M. Kimberland, Wheeling, W. Va.
 Mrs. H. M. Kimberland, Wheeling, W. Va.
 Mr. Kendall, Wheeling, W. Va.
 Mr. G. Russell Leonard, Chicago, Ill.
 Mr. H. R. Lewis, Rochester, N. Y.
 Mrs. H. R. Lewis, Rochester, N. Y.
 Mr. Millard W. Mack, Cincinnati, Ohio.
 Mrs. Millard W. Mack, Cincinnati, Ohio.
 Mr. M. W. Mack, Jr., Cincinnati, Ohio.
 Mr. A. J. Meiklejohn, Ottawa, Can.
 Mr. D. R. Midyette, Richmond, Va.
 Mrs. D. R. Midyette, Richmond, Va.
 Mr. F. Moore, Boston, Mass.
 Mrs. F. Moore, Boston, Mass.
 Miss Lucy M. Morrill, Boston, Mass.
 Mr. J. P. Mulhall, Utica, N. Y.
 Mrs. J. P. Mulhall, Utica, N. Y.
 Mr. Geo. H. Olmstead, Cleveland, Ohio.
 Mrs. Geo. H. Olmstead, Cleveland, Ohio.
 Mr. I. Pinkus, Indianapolis, Ind.
 Mrs. I. Pinkus, Indianapolis, Ind.
 Miss Elise Pinkus, Indianapolis, Ind.
 Mr. Henry J. Powell, Louisville, Ky.
 Miss Mary Gunn Powell, Louisville, Ky.
 Mr. Lawrence C. Priddy, New York City.
 Mr. Wm. H. Riley, Erie, Pa.
 Mrs. Wm. H. Riley, Erie, Pa.
 Mr. O. J. Rizor, Wheeling, W. Va.
 Mrs. O. J. Rizor, Wheeling, W. Va.
 Mr. Lee C. Robens, Hartford, Conn.
 Mrs. Lee C. Robens, Hartford, Conn.
 Miss Annie A. Russell, Fairmont, W. Va.
 Mr. Chas. W. Scovel, Pittsburgh, Pa.
 Mrs. Chas. W. Scovel, Pittsburgh, Pa.
 Mrs. Florence E. Shaal, Boston, Mass.
 Mr. Neil D. Sills, Richmond, Va.
 Mrs. Neil D. Sills, Richmond, Va.
 Mr. H. Wibirt Spence, Detroit, Mich.
 Mrs. H. Wibirt Spence, Detroit, Mich.
 Mr. J. Putnam Stevens, Portland, Me.
 Mr. Thomas B. Sweeney, Wheeling, W. Va.
 Mr. T. G. Tabb, Richmond, Va.
 Mr. H. S. Vail, Chicago, Ill.
 Mrs. H. S. Vail, Chicago, Ill.
 Mr. J. K. Voshell, Baltimore, Md.
 Mrs. J. K. Voshell, Baltimore, Md.
 Mr. Hugh M. Willet, Atlanta, Ga.
 Mrs. Hugh M. Willet, Atlanta, Ga.
 Mr. Wilson Williams, New Orleans, La.
 Mrs. Wilson Williams, New Orleans, La.
 Mr. Edward A. Woods, Pittsburgh, Pa.
 Mrs. Edward A. Woods, Pittsburgh, Pa.
 Miss Marjorie Woods, Pittsburgh, Pa.
 Mr. Edward Wallis Woods, Pittsburgh, Pa.

"LIFE INSURANCE"

A TEXT-BOOK

By Dr. S. S. Huebner

Wharton School of Finance and Commerce, University of Pennsylvania

This book is intended for high schools, colleges, in fact all institutions of learning, agency instruction and for the lay reader. It is non-partisan in character, comprehensive in scope, and conspicuous by its intelligent and logical arrangement.

Life Insurance, Its Principles and Practice

- Part I Nature and Uses of Life Insurance.
- Part II Science of Life Insurance.
- Part III Special Forms of Life Insurance.
- Part IV Organization, Management and Supervision of Legal Reserve Companies.
- Part V Important Legal Phases of Life Insurance.

OFF THE PRESS DURING THE FIRST WEEK IN AUGUST, 1915.

Advance subscriptions are being received now at \$2.00 a copy. Fill out the following coupon and mail at once:



This emblem identifies members of the National Association of Life Underwriters who are pledged to the highest standards of Life Insurance practice.

Everett M. Ensign, Acting Secretary, Education and Conservation Bureau, National Association of Life Underwriters, 56 Pine Street, New York City.

Enclosed please find my check for \$.....in payment
for.....cop.....of the new text book "LIFE
INSURANCE," by Dr. S. S. Huebner. Name.....
Street.....City.....State.....

ANNOUNCEMENT

Five-Minute Talks At San Francisco Convention

The success or the failure of the "Open Forum" of our National Conventions which has to deal with the 5-Minute Topics, lies entirely in the hands of the delegates.

For the past two years I have presided over these discussions at the conventions held at Atlantic City and Cincinnati, and I am to preside again at San Francisco. At Cincinnati the delegates rallied nobly to my call for help. This year I am taking a different system; I am appealing to you through the pages of the News and also through a special letter to all Presidents and all Secretaries of all local associations.

May I not ask as a special favor that each delegate to and each attendant on the National Convention to be held August 10, 11 and 12 at San Francisco, go prepared to help along this great work covered by these 5-minute talks. I appeal to every man who expects to be at the San Francisco Convention to be prepared to get on his feet and say something on the subjects which have been assigned for these talks.

We had nineteen such talks in one hour at Cincinnati and I know that everyone of the 600 present who heard these talks felt a peculiar uplift from them. Each one of us gets out of this business in proportion to what we put into it. This is true in our soliciting and also true in our convention going.

Let me urge you not to make a junket of the three days, August 10, 11 and 12, but that you make it your business to be in attendance at every session of the Convention and after the Convention do your sightseeing and junketing.

The subjects are as follows:

Tuesday Afternoon, Aug. 10—Subject, "System Used in Canvassing."

- (a) Getting Prospects.
- (b) Cultivating Prospects.
- (c) Closing Prospects.
- (d) Getting Settlements.

Wednesday Afternoon, Aug. 11—Subject, "Agency Building."

- (a) Getting Agents.
- (b) Training Agents.

Yours for Co-operation, Enthusiasm and Success,

H. H. WARD,
Chairman Topics Committee.

What the Local Associations Are Doing

Life Association News has no paid correspondents. We depend entirely upon the secretaries of local associations to send us stories of all meetings of their respective associations. If an account of the last meeting of *your* association does not appear in this department, ask the secretary of your organization why he did not send us the particulars.

Immediately after each meeting, on the same day if possible, secretaries of local bodies should send us a full account of the business transacted, including copies of all speeches, or extracts from the most important of them.

Birmingham.

Robert Lee, district manager for the Mutual Life of New York, was elected president of the Birmingham association at the annual meeting which was held on May 24. Among the other officers elected were:

Mayer Friedman, general agent for the Manhattan Life, first vice-president; Edward L. Anderson, of the Missouri State Life, secretary-treasurer. A special committee on legislation was appointed to look after pending legislative matters.

Capital District.

The first midday luncheon of the Capital District association was held in Albany on May 24. George W. Johnston, of New York, was introduced by William W. Phelps, president of the association, as the principal speaker. Mr. Johnston gave a practical talk on the fundamental principals of selling life insurance. He cited the knowledge of his goods as an agent's first essential, then aggressiveness to apply this information efficiently and, lastly, enough enthusiasm to carry himself along.

This was followed by an interesting exchange of views on the selling of life insurance. The results of the news articles and advertisements which have been appearing in the Knickerbocker Press from time to time were discussed. Delegates were selected to represent the association at the coming National Convention.

Central Texas.

At the second regular meeting of the Central Texas association held at Waco it was unanimously voted to affiliate with the National Association.

J. Y. Webb made a brief speech on "Getting Together," in which he outlined the many benefits of association work. Judge Edwin J. Clark was to have been the principal speaker, but owing to the addition of a special case on the docket was unable to attend. His place was filled by James Hayes Quarles, of the Tribune editorial staff, who spoke on "Honesty, the Best Asset."

Following the banquet which was held at the State House delegates to the coming National Convention were appointed.

Chattanooga.

The third annual meeting of the Chattanooga association was held at the Business Men's Club on May 15. At the business meeting which preceded the banquet the following officers were elected for the ensuing year:

A. S. Glover, president; H. G. Hebditch, vice-president; F. M. Keys, treasurer; C. H. Crimm, secretary; Paul W. Shepherd, chairman of the Executive Committee, and Julius J. Cohn, chairman of the Education and Conservation Committee.

QUALITY FIRST!

Dear Bill: Do you know what a great advance has been made in life insurance salesmanship during the past few years? Quantity used to be the watchword. Now it's quality. Why, there is a Company that offers an educational course, a "Field Service Department"—a carefully prepared "Sales Department" and other real attractive inducements that help a lot.

Yours,

Jack.

P. S. Your suggestion was right, that's the Company—

The Phoenix Mutual Life Insurance Company

OF HARTFORD, CONN.
JOHN M. HOLCOMBE, President

G. F. Milton in his speech paid a fitting tribute to the business of life insurance. Dr. Leo Shumacher spoke very interestingly of the work which is being carried on by the Life Extension Institute. Dr. Ira M. Boswell pictured the mental consolation which the possession of a life insurance policy produces. J. B. F. Lowry, cashier of the Citizen's National Bank, spoke on the value of business insurance. Short talks were also made by Mr. Glover, Mr. Shepherd, Edward E. Brown, J. W. Bishop, Capt. C. W. Biese, Julius J. Cohn, Earle N. Webster, F. M. Keys, T. L. Landress and Guy Landis.

Chicago.

The part-time agent and rebating has almost caused a breach of neutrality among members of the Chicago association. President George R. McLeran's determination to wipe out the evils with which the average Chicago underwriter is confronted has caused the various factions to bring their "42-centimeter" oratorical guns into action.

Not only did the meeting held on June 8, at Hotel LaSalle, bring out a record-breaking attendance, but it almost equaled the April meeting of the New York association as far as excitement was concerned.

In his speech to the association members President McLeran fired some straight-from-the-shoulder shots at the so-called brokers who do not want to give up their regular business, but want to make a little easy money on the side. He also denounced "insurance counselors" and "insurance actuaries" and the free lances. He referred to the broker as the "quack doctor" in life insurance. He cited the views of President Hunter, of the San Francisco association, on the part-time agent.

Jules Girardin, local manager for the Phoenix Mutual, said that general agents will not reform until their home office compels them to do so. Many home offices today are pushing strenuously for business and they urge general agents to get it in some way, but to get it.

Vice-president Stevens, of the Illinois Life, suggested that part-time resolution come up at a later meeting so that more time could be given to reflection. George D. Wright, of the Met-

ropolitan, chairman of the Committee on Resolutions, insisted that the matter should be settled at once.

Isaac Miller Hamilton, president of the Federal Life, said that while the Federal did not hire any part-time agents he believed that the association would be going entirely outside of its province in passing such a resolution.

At this juncture of the spirited discussion Fred B. Mason, general agent for the Aetna Life, presented his crime prevention resolution which he is scattering broadcast throughout the United States. The association voted to adopt the resolution which reads as follows:

WHEREAS: Rebating and misrepresentation are crimes which, wherever practised, bring discredit upon the life insurance business, and

WHEREAS: Rebating and misrepresentation are causes of expulsion from the Life Underwriters' Association of Chicago, it being the purpose of said Association to advance the best interests of the life insurance business;

NOW THEREFORE be it resolved by the Life Underwriters' Association of Chicago at its regular monthly meeting in June, 1915, that we pledge the members of this Association to co-operate in preventing rebating and misrepresentation.

Be it further resolved that a copy of this resolution be sent to the President and Attorney-General of the United States; to the Governor and the Superintendent of Insurance and the State's Attorney of every county of the State of Illinois, and to the Mayor of the City of Chicago: that each member of this Association send a copy to the life insurance company, of which he is the agent: also that a copy be sent to the National Association of Life Underwriters, and to each local association.

The final action on the part-time resolution, however, was postponed until the special meeting of the association which will be held on June 22. President McLeran was elected to represent Chicago on the National Executive Committee, succeeding R. F. Palmer, of the Berkshire Life, who resigned. Six new applications for membership were acted upon favorably.

Cincinnati.

John D. Sage, second vice-president of the Union Central Life Insurance Company, was the principal speaker at the June meeting of the Cincinnati association which was held at the Business Men's Club on the 8th inst. Covers were laid for 40.

Mr. Sage spoke on the value of advertising in the life insurance business. The same topic was ably discussed by Ren Mulford, an advertising specialist.

W. A. R. Bruehl, Jr., of the Home Life, was elected National Executive Committeeman to succeed M. W. Mack, whose term will expire in August. The chairman of the Publicity Committee announced that practically all of the \$2,500 advertising fund had been raised and the balance would undoubtedly be secured within the week.

Cleveland.

More than 30 of Cleveland's most prominent business men were guests of the local association at its annual banquet which was held at Hotel Statler on May 10.

The Hon. Newton D. Baker, Mayor of Cleveland, and Col. John L. Shuff, Postmaster of Cincinnati, were the principal speakers. Col. Shuff again amused the underwriters and their guests with one of his humorous speeches, while Mayor Baker spoke of the relation of the life insurance agent to the welfare of the city.

An interesting feature of the banquet were the brief remarks from some of the guests. Following are excerpts from their opinions:

F. F. Prentiss, vice-president Cleveland Life, manufacturer and capitalist—"Insurance teaches the art of saving—Interest the young men in it."

C. F. Adams, president Cleveland Hardware Company—"I congratulate you as salesmen of the greatest thing in the world, something of which you will never be ashamed."

Martin A. Marks, former general agent Equitable Life, now secretary-treasurer Cleveland Worsteds Mills Company—"There has been a wonderful change in the life business in the past 25 years. I am pleased at the rapid growth of fraternal spirit among the agents."

Judge Alexander Hadden—"I shall recommend hereafter that the improvident cease to seek the probate court, but go to the life insurance men instead."

Rev. R. E. Bailey, pastor East End Baptist Church—"Your work aids in the practical application of scriptural teachings."

Attorney H. J. Crawford—"A man's life insurance should be limited only by his bank account and the smaller his bank account, the larger should be his insurance."

Cyrus Eaton, with Otis & Co., bonds and stocks—"No group of men makes a larger contribution to the economic good than the life insurance men."

F. J. Woodworth, vice-president First Trust & Savings Company—"I believe in business insurance."

An election of officers was held which resulted as follows:

E. B. Hamlin, president; J. W. Pickard, first vice-president; W. F. Whitney, second vice-president; Hoyt W. Gale, secretary, and O. N. Olmstead, treasurer.

Columbus.

Members of the Columbus association entertained W. E. Bilheimer, president of the St. Louis association, as their principal guest and speaker at the May meeting, which was held on the 21st ult. In discoursing upon "Plussing a Day's Work," Mr. Bilheimer gave one of his usually inspiring talks. It contained a wealth of practical suggestions to salesmen.

Following the meeting the Ohio agents of the Equitable, which Mr. Bilheimer represents in St. Louis, entertained him at a luncheon at the Columbus Athletic Club. F. W. Alden, of the Fidelity Mutual; C. K. Warwick, of the Fidelity Mutual, and G. A. Bredehoft, of the Connecticut General Life, were elected to membership.

Detroit.

Easily the most enthusiastic meeting of the Detroit association this year was held at the Board of Commerce Building on May 13. Edward A. Woods, general agent of the Equitable at Pittsburgh, and vice-president of the National Association, was the principal guest and speaker.

The visit of Mr. Woods had long been looked forward to by

local life underwriters. He chose for his subject, "Life Insurance—the Institution of Systematic Thrift." Mr. Woods spoke in part as follows:

"The American speaks of wealth in terms of capital; the Englishman speaks of income and the still more thrifty Frenchman, in telling of money made, speaks of money saved. Our very mental attitude toward wealth is not of saving but of spending our principal, forgetting that one's capital or one's principal should never be considered as money to be spent, and forgetting that the French point of view is the correct one—that the only money one makes is the money one keeps." We have large incomes in America; we have great wealth, but we are forgetting that thrift and progress mean the saving of money and that saving is largely apart from wealth. Lack of thrift is the explanation of why 95 persons out of every 100 who reach the age of 60 years are still dependent upon their daily earnings or charity for support. In Pennsylvania more citizens own their own homes than in any other State in the union. There are 25,000,000 Americans who carry \$30,000,000,000 of life insurance; twice as much as all the rest of the world put together."

William A. Duff, assistant to Mr. Woods in the Pittsburgh agency, also addressed the association. Mr. Woods and Mr. Duff remained several days in Detroit, during which they were guests of H. Wibirt Spence, treasurer of the National Association.

Most of Friday was spent in interviewing several big automobile manufacturers in their plants, with view to getting general ideas as to how automobile sales are conducted.

A special dinner was given by Mr. and Mrs. Spence at their summer home, "Wyburton," on Grosse Isle, for the Pittsburgh underwriters and other prominent insurance officials.

Indiana.

Hugh M. Willet, president of the National Association paid his official visit to the Indiana association on May 6. The banquet in honor of the National President was held at the Denison Hotel in Indianapolis.

Owing to the rearrangement of President Willet's itinerary, the members had a very short notice concerning the official visit. However, there was a fair attendance to greet President Willet. He reviewed the achievements of the National Association and told of some of the future ideals which he hoped would be embodied in the work of the National body. Edward H. Young, president of the association, presided as toastmaster.

The June meeting of the Indiana association was held at Hotel English, Indianapolis, on the 7th. The program included short talks by Warren C. Flynn, State manager for the Massachusetts Mutual; W. A. Courtright, representing the Penn Mutual; Frank L. Jones, superintendent of agencies for the Equitable; and Isaac Pinkus, general agent for the Northwestern Mutual. The speeches were followed by a general discussion.

Iowa.

Members of the Iowa association wound up the present season, as far as meetings are concerned, with a banquet at the Grant Club in Des Moines on June 5. Officially it was known as "ladies' night," and brought to an end a successful season in association work. Much has been accomplished both in reform and membership.

Owing to the illness of Emory English, State Insurance Commissioner, who was to have been the principal speaker, Dr. J. A. Earl, president of Des Moines College, was substituted. C. L. Lunt was elected National Executive Committeeman to succeed J. C. Blum whose term has just expired. Dr. Earl paid a high tribute to the business of life insurance and the work of the producer. The meetings have been discontinued until October 2. There were about 100 members and guests present.

Knoxville.

Institutional advertising was the principal topic of discussion at the regular meeting of the Knoxville association held on May 29. A special circular condemning the high rate of taxation in the State has been edited by the Education and Conservation Committee and will be mailed to 50,000 of the largest policyholders in Tennessee. It is hoped to arouse the policyholders into action against all unjust legislation and taxation. The

Nashville and Memphis associations have given the movement their hearty indorsement.

E. R. Lutz was named as National Executive Committeeman. Delegates were appointed to represent Knoxville at the coming National Convention.

Los Angeles.

Members of the Los Angeles association held their regular monthly meeting at Christopher's Cafe on June 4. W. C. Mace, of the Northwestern Mutual, delivered an interesting address on "The Evolution of the Life Insurance Salesman." L. A. Greenwood, vice-president of the association, spoke on "The Professional Aspect of Life Insurance."

F. E. MacMullen, chairman of the Committee on Legislation, reviewed pending matters and reported on his recent trip to Sacramento in the interest of the association.

Gardner Curren, formerly of Los Angeles, but now deputy commissioner of the World's Insurance Congress, was present. He made a few brief remarks concerning the work which the Congress is accomplishing at the Panama-Pacific International Exposition.

Delegates and alternates to the National Convention were provided with their credentials.

Louisiana.

The official visit of Hugh M. Willet, president of the National Association, to the Louisiana association was made on May 11.

Wilson Williams, president of the local association, and a special reception committee met President Willet at the Illinois Central station at 11 o'clock. From there they motored to Hotel DeSoto where the luncheon was held. There were more than 50 underwriters present, also several prominent laymen. A canvass of those seated at the banquet table showed that 41 of them carried life insurance aggregating \$700,550, an average of about \$18,000 for each person. President Willet's speech was followed by short talks by Frank L. Levy, T. D. Wharton, secretary of the association, Gus D. Levy, Zach Spearing, R. H. Rebou and Dr. B. A. Ledbetter. The entertainment committee planned a special tour for the National president following the banquet.

Memphis.

Hugh M. Willet, president of the National Association, was the principal guest at the regular meeting of the Memphis association, which was held on May 10 at Hotel Chisea.

The Memphis association has been inactive for some time, but from the enthusiasm displayed at the gathering it is apparent that the organization will take a new lease on activity.

In his speech President Willet urged the local underwriters to revive the activities of the association. Among the other speakers were the Rev. T. W. Lewis, of St. John's Methodist Church; J. B. Marmon, of the Mutual Life, and S. L. Calhoun, of the State Mutual of Worcester. Among the other noted guests were the Rev. W. D. Bunckner, rector of Calvary Episcopal Church, and W. L. McPheeters, of Chattanooga, vice-president of the Volunteer State Life. There were 35 members and guests present.

Minneapolis.

The proposed amendments to the constitution brought out a large attendance at the June 5th meeting of the Minneapolis association. The articles relating to the qualifications for membership caused an unusual amount of discussion. They were amended so as to admit preliminary term companies after due consideration of their standing. Delegates to the coming National Convention to be held at San Francisco were appointed.

Minnesota.

An illuminating address, concerning his impressions of the Panama-Pacific International Exposition, by A. O. Eliason, of the Minnesota Mutual, was the feature of the meeting held by the Minnesota meeting on May 10. And it is probably that this talk will have much to do with boosting the representation of the local association at the coming National Convention. A humorous talk by G. W. Skidmore was well received.

In the absence of the president, J. K. Robinson, of the Penn Mutual, vice-president of the association, presided. Mr. Robinson, as chairman of the committee on taxation and legislation, reported that no unfavorable bills had been passed since the last meeting.

ESTABLISHED
1867

Strength Service and Saving

No company is stronger or more stable than its investment securities.

The distinctive result of the Union Central's forty-eight years investment experience is one of the wonders of the financial world.


Of the more than One Hundred Million Dollars of Assets, less than 3% is represented by the magnificent new Home Office building; about 20% by accommodations to policyholders; while over 76% is loaned on carefully selected first mortgages, in the best farming sections of thirty-four different States.

The advantages of Union Central investments are four-fold:—(1) Maximum security—averaging over \$3.75 for each \$1.00 loaned; (2) Non-destructible and ever-enhancing values; (3) Non-speculative and non-fluctuating character, at the same time possessing adequate mobility; (4) Supreme interest earning ability; gross rate 1914—6.38%, average past twenty years—6.44%.

The sum of these advantages constitutes the *Strength* back of every contract, and contributes largely to the *Service* enjoyed, and the *Saving* realized by the company's policyholders.

For information or investment literature address, ALLAN WATERS, Supt. of Agents.

**The Union Central
Life Insurance Co.
OF CINCINNATI**
JESSE R. CLARK, Pres.



Professor Mudgett's Monogram.

(Continued from page 13.)

more disability benefits should always be fully participating where the main policy is participating and dividends should be paid to the insured after as well as before disability.

The third feature which every clause should embody should grant disability benefits with the same restrictions as are made in case of the regular benefits under the policy. The many restrictions now found in clauses regarding the lapse of disability benefits through default in premiums, limitations on the time for making proofs or restrictions of benefits to the premium paying period, etc., have no right to continue. These remarks, of course, do not apply to such cases as fixing an upper age limit beyond which benefits will not be allowed, ample justification for which practice has been found. It is evident if these criticisms can be accepted, that there is yet opportunity for the life insurance companies to issue a disability clause which is a real "selling feature" and one which will meet competition because of its intrinsic merit as an insurance measure.

New York.

There was much enthusiasm displayed by members of the New York association at the regular meeting held at Stewart's restaurant in Park Place on May 25, when President Lawrence Priddy announced that the campaign teams had rounded up 106 new applications for membership. These applications were acted upon by the Membership Committee at its regular meeting on June 3.

William H. Hotchkiss, former Superintendent of Insurance, of New York, was the principal speaker. In discussing his topic, "The Inter-relation of the State and the Life Agent," Mr. Hotchkiss reviewed the work done by the association in co-operation with the department during his administration. He urged the local underwriters to organize not only for "pocket" spirit, but for "public" spirit as well. He declared that the day must come when the law shall provide for a method of examination by which those who are unworthy to sell life insurance will be eliminated from the field.

John Kirkland Clark was introduced as the man who was going to help the association make Section 91 constitutional. Mr. Clark has gained a reputation as a graft hunter during his association with former District Attorney Whitman. He reiterated some interesting experiences in hunting graft and insisted that a concerted effort on the part of association members could accomplish much toward eradicating the present-day evils which confront the average underwriter.

A resolution regretting the death of Colonel J. A. Goulden was presented and unanimously adopted. Mr. Priddy is busy selecting the delegation to represent New York at the coming National Convention.

Norfolk-Tidewater.

The regular meeting of the Norfolk-Tidewater association was held in Norfolk on June 4. J. R. Coupland, retiring president of the association, and W. P. Dodson were the principal speakers. The new officers elected were as follows:

T. Jenner Smither, of the Aetna Life, president; L. W. Robinson, of the Equitable, first vice-president; J. M. Jordon, of the Equitable, second vice-president, and R. E. Williams, of the Travelers, secretary-treasurer.

Oklahoma.

Members of the Oklahoma association celebrated the installation of fifty-five new members in a fitting manner. The cele-

bration was held in the form of a banquet and reception at the Country Club on May 29.

J. Henry Johnson, secretary of the National Association, delivered an address of welcome to the new members and urged that as many of them as possible attend the coming National Convention to be held in San Francisco in August. E. D. Englesman spoke on "Benefits of Life Insurance." Milas Lansater, J. N. Dwyer and C. W. Gunther discussed the "Monthly Income Contracts." Delegates to the National Convention were selected.

Oregon.

The regular meeting of the Oregon association was held on May 10 at the Commercial Club in Portland. S. P. Lockwood spoke on "Personal Experience in Selling Life Insurance." Dr. C. J. Smith gave an interesting talk on "Matters Pertaining to the Medical and Business Side of Life Insurance." "System in Life Insurance Soliciting," was the subject allotted to Arnold S. Rothwell, while Omar C. Spencer spoke on "Service."

William Goldman was elected to represent the local association on the National Executive Committee. Nathaniel G. Anderson, William C. Montgomery and Israel C. Hervin were elected to associate membership.

H. H. Ward urged the association to send a large delegation to the National Convention to be held in San Francisco. Edgar W. Smith, president of the association, officiated as toastmaster.

Pittsburgh.

Ideal weather conditions brought out a record breaking attendance at the annual outing of the Pittsburgh association, which was held at Homestead Park on June 5. Athletic sports, games and dancing were the principal features of the gathering.

The program started with a baseball game between teams representing the Pittsburgh Life & Trust Company and an all-star aggregation, which resulted in a five to four victory for the all-stars. The batteries were Kelly and Scheimer for the winners and Bortsche and Berg for the losers. Umpires Dr. Righter, of the Pittsburgh Life & Trust, and Mr. Smith, of the Equitable.

Miss Wilbur and Mr. Daley carried away first honors in the dancing contest, while Mr. and Mrs. Riale, of the State Mutual captured second prize. The 240-yard relay race was won by Messrs. Kelly and Cohill, of the Equitable, with Friedman and Riale, of the State Mutual second. The Egg and Spoon race for ladies was won by Miss Fellows. Other events resulted as follows:

Purely Mutual

The

Chartered 1857

Northwestern Mutual Life Insurance Co.

MILWAUKEE, WISCONSIN

GEO. C. MARKHAM, President

INSURANCE IN FORCE, \$1,365,299,749

SATISFIED POLICYHOLDERS to the number of 11,613 (out of 43,541 applicants) applied for \$54,587,290 of additional insurance in The Northwestern during 1914.

NORTHWESTERN POLICIES are easiest to sell and stay longest in force.

Mortality 55.87%. Interest 4.97%. Expense 10.53%.

AGENTS PROTECTED by enforced No-Brokerage and Anti-Rebate Rules.

INCOME INSURANCE
CORPORATION INSURANCE
PARTNERSHIP INSURANCE

It Will Pay You to Investigate Before Selecting Your Company

Write to H. F. NORRIS, Superintendent of Agencies
MILWAUKEE, WISCONSIN

LARGE "DIVIDENDS"
LOW COST
SERVICE POLICY

Potato race for ladies, Miss McCune; 50-yard dash, ladies, Miss Dunn; 50-yard dash, men, William Mulvey, first and George Kirkbride, second; pie-eating contest, James Stewart; three-legged race for boys, Steward and Conley. Following the athletic events the underwriters and their friends danced till wee hours of the morning.

Rochester.

That members of the Rochester association are ardent baseball fans is apparent from the official action which followed the regular meeting on May 17. After the meeting had been adjourned all members of the association journeyed to the local ball park in a body to witness the opening of the International League season at that place. This is an annual event which is always looked forward to by Rochester life underwriters.

Final arrangements were made for the trip to the coming National Convention. From the enthusiasm displayed it is probable that Rochester will have a large representation at San Francisco. There were 40 members in attendance.

Sacramento.

Several political and insurance notables were present at the regular monthly banquet of the Sacramento association which was held on June 2. State Senator J. W. Stetson, of Oakland,

was the principal speaker. He came as official representative of Governor Johnson.

J. E. Phelps, State Insurance Commissioner, complimented the members on their organization which has grown from 12 to 60 members in six months. Former Lieutenant Governor Warren Porter, now president of the Western States Life Insurance Company, was also among the speakers. Willard Doan, of Salt Lake City, gave those present an interesting talk on association work.

The hit of the evening, however, was made by the Rev. W. E. Harrison, pastor of Westminster Presbyterian Church, who contributed a humorous discourse. Following his speech the association voted to attend their chaplain's church in a body the following Sunday morning.

Among the other speakers who responded to toasts were F. E. McMullen, of Los Angeles; L. B. Messler, of San Francisco; L. M. Shelly, city attorney; Robert Lee Stephenson, and C. M. Smith, both of San Francisco.

Under the leadership of Edward Shoemaker, who is president of the association, also president of the West Coast Life Insurance Company, the organization is making remarkable strides. Covers were laid for 75 persons and 17 new members were elected.

St. Louis.

Hugh M. Willet, president of the National Association, was

The Equitable Makes Experts of Its Agents

Nowadays the successful life insurance salesman must be a thoroughly trained expert, and the success and prosperity of the agents representing

The Equitable Life Assurance Society of the United States

has been largely due to the fact that the company recognizes the importance of educating its field workers.

The salesmen connected with every Equitable agency are carefully trained and assisted. Among other things,

A Correspondence Course in Life Insurance

is conducted by one of the senior executive officers, for their thorough instruction.

This course consists of 3 preliminary lessons (which may be taken by outsiders) and 27 Regular Lessons (exclusively for representatives of the Society).

One unique feature is that after the student has answered the questions asked in connection with each lesson, the officer in charge of the course sends him *official answers* to the same questions. This enables the student to check himself off by comparing the answers made by him with the official answers subsequently received from the Society.

Satisfied Policyholders

The constant line of applicants
for **ADDITIONAL** insurance in the

JOHN HANCOCK

shows that its members have
GOOD JUDGMENT

**TIE UP WITH THE COMPANY MAKING
SATISFIED AGENTS**



WILLIAM N. COMPTON

General Agent Metropolitan District

**ST. PAUL BLDG. 220 BROADWAY
NEW YORK, N. Y.**

entertained by members of the St. Louis association on May 8. The banquet in his honor was held at the American Annex.

In his speech President Willet referred to the many accomplishments of the National Association during the current year and urged a large attendance at the National Convention.

The delegation from St. Louis will be the largest ever sent to a National Association Convention from that city. This is due to the fact that they are out to capture the 1916 Convention and that they have decided to bring reinforcements along.

W. E. Bilheimer, president of the association, announced that the 50 new applications for membership brings the number up to 225.

San Francisco.

Members of the San Francisco association held an enthusiastic meeting on May 20. Speeches were made by H. R. Hunter, president of the association; Joseph Fouchard, of the Knox School of Salesmanship; Edward Shoemaker, president of the Sacramento association; Thomas Proctor, president of the Santa Rosa association, and E. Kelly, secretary of the Sacramento association.

The matter of the Anti-Rebate bill which was recently passed by the Legislature occupied no small amount of attention. A special committee was appointed by the president to communicate with Governor Johnson, urging his approval of the measure. Every California association is doing its utmost to influence the Governor, and it is believed that he will eventually sign the bill making it a law. Delegates to the National Convention were selected.

South Texas.

Sixteen members were present at the regular meeting of the South Texas association which was held at Houston on May 1. O. S. Carlton, president of the Great Southern Life, was the principal speaker. Three new members were elected and delegates appointed to the National Convention.

Springfield, Missouri.

The regular meeting of the Springfield, Missouri, association was held at Sansone Rathskeller on June 5. Following the luncheon brief speeches were made by many of the underwriters and guests.

Dr. E. F. James, president of the City Board of Health, read an interesting paper on important reforms proposed by his department which are related to mortality statistics. Other speakers were: W. A. Banks, M. A. Nelson, S. E. Cope, R. H. Beal, John C. Scuyler and W. A. McAtee. Jake Marx officiated as toastmaster.

Syracuse.

The annual outing of the Syracuse association was held on June 9. Ten automobiles conveyed 36 members of the association to South Bay on Oneida Lake, where they were entertained at the South Bay Club.

The underwriters arrived at their destination at 4 o'clock p.m., and immediately began their baseball game between the managers and the field men, but they had forgotten to consult the weather man, who in his wrath, stopped the pastime during the third inning. During the thunder storm the scorecard was

blown away thus allowing both sides to claim victory. A dinner was served at the club at 6 o'clock. No business was transacted.

Tacoma.

Under the new administration which began in January, members of the Tacoma association expect to make great strides during the ensuing year.

As a direct result of President Widmann's efforts, an unusually strong and binding amendment to the constitution and by-laws was passed at the April meeting of the association. This amend-

JUST A FEW COPIES LEFT.

PROCEEDINGS OF THE CINCINNATI CONVENTION.

PRICE \$1.50.

LARGE CITY OPENING

We will make a contract with the right man which will insure future financial independence.

The requirements are integrity, ability, enthusiasm and industry.

We want a man who mingles with the representative business and professional men of his community and secures his full share of their patronage.

Address

The Equitable Life Insurance Company of Iowa

Home Office: Des Moines, Iowa.



Organized 1868

Assets

\$32,604,612

Surplus
and

Capital

\$3,989,846

The School for Salesmen of the

Pacific Mutual Life Insurance Company

offers, free of cost, instruction and direction to prospective and new agents and gives them the right start in an attractive and remunerative business with an experienced and successful company.

For full information write the company at Los Angeles, California.

Good connections can always be made with our General Agents throughout the country.

ment was drawn up in the form of an obligation which all members are obliged to take, likewise all applicants for membership will be obliged to agree to its terms. The amendment follows:

I, A. C. Blank, do hereby promise that I will, to the best of my ability, advance the interests of Life Insurance; maintain a friendly feeling toward my honorable competitor; speak well of every Old Line Legal Reserve Life Insurance Company; respectfully withdraw from competition when I discover that the application has been signed; support the Constitution of this Association; conform, as well as endeavor to secure conformity, to all laws affecting Life Insurance, and will, at all times, use only honorable means of securing business.

I further promise that I will not knock, twist, or unduly influence the business of a competitor, whether it be written or pending; and that I will not by insinuation, or otherwise, disparage, ridicule, or in any wise misrepresent the Company of a competitor; that I will not rebate an insurance premium nor suffer it to be done by others if within my power to prevent.

The association expects to send a large delegation to the National Convention to be held in San Francisco in August.

Utica.

W. I. Tabor, president of the Citizens' Trust Company, of Utica, delivered an address before members of the local asso-

ciation at their regular meeting held on May 17 at Bagg's Hotel. Mr. Tabor spoke on "Life Insurance as a Business Asset."

The speaker emphasized the fact that bankers now frequently require clients to provide this form of collateral for protection. There were about 20 members present and several guests.

Valley of Virginia.

The second regular meeting of Valley of Virginia association was held at Staunton on June 7. At the business meeting which preceded the banquet John Kinacofe, of Staunton, was elected chairman of the Executive Committee. A. F. King and A. Lee Knowles, Jr., both of Staunton, were admitted to membership.

At the close of the meeting the underwriters journeyed to the Virginia Hotel where the banquet was held. Several prominent guests and speakers were present.

John P. Burke, of Harrisonburg, spoke on "Underwriting and Citizenship." Dr. M. J. Payne delivered a very interesting talk on "The Rejected Class." The subject discussed by C. C. Taylor, of Greensborough, N. C., was "Character, Salesmanship and Organization." Curtis P. Bowman, president of the association, spoke on association work.

The association voted to hold the July meeting in the form of

Metropolitan Life Insurance Company

(Incorporated by the State of New York.)

THE COMPANY OF the People BY the People FOR the People

PROOF OF PUBLIC CONFIDENCE.

This Company, although it operates only in the United States and Canada, has more insurance in force than any other life insurance company in the world.

The number of policies in force is greater than that of any other company in America, greater than all the regular life insurance companies put together (less one), and can only be appreciated by comparison. It is a number considerably in excess of the combined population of Greater New York, Chicago, Philadelphia, Boston, St. Louis, Cleveland, Baltimore, Cincinnati, Pittsburgh, San Francisco and Kansas City.

SIGNIFICANT FACTS.

This Company's Policy claims paid in 1914 average one claim for every 46 seconds of each business day of eight hours and in amount \$232.07 a minute.

The Daily Average of the Company's Business During 1914

626	per day in number of Claims Paid.	\$305,754.00	per day in Payments to Policyholders and addition to Reserve.
8,040	per day in number of Policies issued and revived.	\$161,826.87	per day in increase of Assets.
\$1,708,728.00	per day in New Insurance issued, revived and increased.	Insurance in Force	\$2,991,114,069.00

Full particulars regarding the plans of the Metropolitan may be obtained of its Agents in all the principal cities in the United States and Canada, or at its

Home Office: 1 MADISON AVE., NEW YORK



Of course you would; anybody would!
We have no such pen or pencil, but we have something better. We have a typewriter which does all this, and you know that the typewriter is three times as fast as any pen or pencil. This typewriter is the
Remington
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Typewriter
(Wahl Adding Mechanism)

This machine adds or subtracts and writes; not only that but it adds or subtracts when it writes. Both operations are one. You need this machine in your shop; every man needs it who has bills to do, or any writing and adding to do on the same page. It saves time, saves labor, detects errors, prevents errors, gives you a mechanical insurance of absolute accuracy.

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New York and Everywhere

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an outing, the place to be selected by the Entertainment Committee later.

Waterloo.

A deputation of life underwriters from Des Moines journeyed to Waterloo on May 7 to assist in the organization of the Waterloo association. Members of the Iowa association who made the trip were J. A. Blum, of the Equitable; M. M. Demming, of the Kansas City Life, and R. J. Fry, of the Equitable of Iowa.

J. E. Bragdon, representing the Northwestern Mutual at Waterloo, was elected president of the new association; F. A. Carson, of the Prudential, first vice-president; P. R. Ray, of the Equitable of Iowa, second vice-president; E. W. Lanham, Skandia, secretary; B. L. Nay, Equitable, treasurer; F. A. Ferguson, Iowa Life, chairman of the Executive Committee.

Youngstown.

J. J. Jackson, of Cleveland, general agent for the Aetna Life, was the principal speaker at the regular meeting of the Youngstown association held on May 18. He spoke upon the selection of material for prospects, the manner of approach and the best method of conducting the interview. He emphasized the value of a brief but uninterrupted interview, also the value and importance of the monthly income contracts and group insurance for employees. Covers were laid for 25.

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HAVE AN INSURANCE CONTRACT
TO PRESENT WHICH IN THE SUM
OF ALL ITS BENEFITS IS UNSURPASSED
IT IS BEST NOT JUST ONE WAY
BUT BEST ALL WAYS
AND ALWAYS
BACK OF IT IS A SIXTY-SEVEN YEAR
REPUTATION FOR FAIR DEALING
WITH ALL ITS POLICYHOLDERS WHETHER
CONTINUING, WITHDRAWING, MATURING
OR DYING

1865 FIFTY YEARS OLD 1915

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1850

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Good men, whether experienced in life insurance or not, may make direct contracts with this Company, for a limited territory if desired, and secure for themselves, in addition to first year's commission, a renewal interest insuring an income for the future. Address the Company at its Home Office, No. 277 Broadway, New York City.

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If you are ambitious to enter organization work and can show a clean record as a successful producer, write us giving your life insurance experience.

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Life Association News

OFFICIAL ORGAN OF THE NATIONAL ASSOCIATION OF LIFE UNDERWRITERS

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No. 11

MODERN SALES METHODS APPLIED TO LIFE INSURANCE

FUNDAMENTAL ESSENTIALS OF SALESMANSHIP ARE THE SAME WHETHER SELLING AUTOMOBILES OR INSURANCE POLICIES, DECLARES NORVAL A. HAWKINS.

Courtesy, Cordiality and Enthusiasm Keep the Selling Machinery Oiled and in Good Running Order—Real Salesmen Are Not “Excuse Hunters,” “Door-Bell Ringers” or “Order Takers”

Through the courtesy of Edward A. Woods, vice-president of the National Association, THE NEWS is able to present the following article to its readers. It is not an advertisement for the Ford Motor Car Company, but a striking exposition of the fundamental principles underlying a sales policy which has built up an annual business of \$150,000,000. In Mr. Woods' interview with the noted sales manager he has secured ideas which are of immeasurable value to the life underwriter.—Editor's Note.

(Copyright June, 1915—Edward A. Woods)

The legal opinion of a lawyer leading his profession would be very valuable. Norval A. Hawkins, Sales Manager of the Ford Motor Company, last year conducted a business of over \$150,000,000 that did not exist at all ten years ago. If there is any sales manager in the world who earns more money, I do not know it; therefore what Mr. Hawkins says about salesmanship is worth listening to, particularly as Ford salesmen, under him, are known to be conspicuously successful. Through the courtesy of Mr. H. Wibirt Spence, Treasurer of The National Association, I was privileged to have several hours of Mr. Hawkins' time in Detroit, discussing methods of getting and training salesmen.

Successful Methods

The fundamental essentials of salesmanship are the same, whether selling Ford cars or insurance policies; therefore, in giving the suggestions offered by Mr. Hawkins and the methods they have found successful, I shall often paraphrase his language by speaking of insurance instead of Ford cars. I wish you could have heard the forcefulness with which Mr. Hawkins, out of his wide experience, said some of these things.

Everybody in an office having to do with the public is a salesman or a saleswoman. The colored usher who meets you at the door; the office boy or the clerk who passes you on to his chief; the telephone operator who receives messages; the stenographer who writes the letters; the clerk who meets the public; all are sales people. Each one of these can increase or discourage sales. A gruff voice over the telephone; a discourteous clerk; an indifferent office boy; even a grouchy porter, can drive away trade, and cordiality and interest in these same people can attract trade.

“The best salesman I met on my late trip,” said Mr. Hawkins, “was the darkey, usher in one of our offices. When I got there early one morning, he opened the door with a smile that was worth \$25 to me for the entire day. When I got in the manager's office I sent for the darkey, and shook hands with him. His contagious smile would have put anybody who came into that office in a good humor. On the other hand, as I once entered one of our sales offices and I saw the clerks going through their work in a very listless manner, until they

saw me come in, when they braced up, seized their pens and started to work. The very sight of that office, did any one else but me come in, bespoke indifference, apathy, and a lack of interest.”

“The Northern Pacific,” said Mr. Hawkins, “inaugurated the custom of having the name of the dining-car conductor hung up in the car, so the passengers talked to a human being instead of an official. The way those conductors welcome you when you sit down for a meal is appetizing. The average man does not know what he wants. These cordial conductors will suggest—‘The white fish this morning is excellent. A fresh order has just been received, which is very fine; I think you will like it. And if you are fond of strawberries, we have the first of the season that are particularly nice.’”

That conductor is a salesman. He prepares you for relishing something that you never thought of, and is not only increasing the sales of the dining-car but is making you glad you traveled on his road.

“When I was on another railroad, I thought I would see what their sales methods in the dining-car were. I asked the darkey waiter what was good on the bill-of-fare. ‘There is the bill-of-fare,’ he said to me. ‘Well,’ said I, ‘is there nothing particularly good that you can recommend?’ ‘No, sir,’ he answered, ‘I never recommend nothing. I recommended something once an’ the gen’leman jumped all over me.’”

“That darkey was driving trade away from that railroad and making people wish they had gone on some other road.”

The Customer Pays

Further, everybody in the employ of a concern should remember that it is the customer who pays him. Marshall Field has the motto in his store—“The customer is always right.” Every Ford man makes money because there are customers for Ford cars. If there were not buyers for Ford cars, there would be no pay for workmen, salesmen, clerks, or officials. Therefore, everybody in an insurance office should constantly keep in mind the fact that it is the policyholder who pays him, and he should be as solicitous to please the policyholder as he would be if his boss were looking at him. The smile with which the clerk greets you, whether at the bank window or the office; the “thank you,” whether said to the man who hands

you the money for his deposit or written upon the receipted bill, is salesmanship. Courtesy and cordiality and enthusiasm keep the selling machine oiled and in good running order.

There is the "excuse-hunter." He easily finds plenty of excuses or persons who will not buy.

There is the "door-bell ringer." He thinks, because he makes call after call, almost hoping that each man will be out, that he is a salesman.

There is the "order-taker"—doesn't it sound like under-taker? This man is able to sell what the man wants to buy.

Then there are real salesmen of all grades.

It does not take a smart man to be an "excuse-hunter." He is worth little to himself or to any one else.

A "door-bell ringer" can be hired for \$2 a day, but would be a loss to any one at that. He is not really trying to sell things; he is closely related to the "excuse-hunter."

An "order-taker" is worth about \$12 a week, and most would be a loss at that. It does not take brains to sell a man what he wants to buy. Clerks by the thousand get \$10 a week behind the counter for doing just this.

Must Create Demand

Then there is the real salesman, who can create and supply a demand. There is no limit, as illustrated by the case of Mr. Hawkins himself, to what real salesmen can make. He knows that there are thousands of people all around him who need—Ford cars or life insurance. He is supplying that need with the right article, at the right time, in the right way, and doing it every day. He is not a leaner, but a lifter. He is not a puller, but a pusher. He is the kind of a man who is helping humanity, society, his agency, his company, and, most of all, the people he is insuring. While doing all this good, he is making money for himself and his family.

All of us belong to some of these classes at some time. There are days when the best salesman is an "excuse-hunter," a "door-bell ringer" or a mere "order-taker," or a poor salesman.

There ought to be as few poor days as possible. It is the salesman's business to see that he is in the right condition—physically, mentally and morally—to do his best work just as many days as he possibly can. Blaming his "not feeling right" on any one but himself is generally a weakness that would cost a baseball pitcher his job if he did it very often. It is on such poor days that the pitcher loses his game; that you make nothing; that you are "excuse-hunting," "door-bell ringing" that is dear at \$2 a day—about what a man is worth from his neck down. Very many such poor days will lower you quickly from the ranks of real salesmen.

Analyze Yourself

Don't be afraid to analyze yourself; other people are constantly observing and analyzing you. From the time you send in your name or enter the man's presence, he is sizing you up, and he tells very quickly whether you are there to be put off or whether you are really there upon an aggressive mission, worth while. Often the case of a sale is settled by the way you enter the door and make your approach.

If you are an "excuse-hunter," a "door-bell ringer," or a mere "order-taker" now, frankly admit it. We do not have to be told to which class you belong; we know.

Do you?

If you are in the wrong class, get out of it. Promote yourself. Be somebody. Be one of the leaders of your agency and company and business. It is worth it.

"In one of my agency meetings," said Mr. Hawkins, "I picked out a prospect card at random, which read—'Got this name from a clerk, who told me that one of the clerks upstairs said this man wanted a Ford car.' This salesman immediately hiked over to the other end of the city to see this man, with no further information. He did not even go to ask the clerk upstairs who originally gave the information; whether the man was a professional or a business man; whether he could pay for a car or not; whether he had another car or not; whether he needed it for business or pleas-

ure; whether the man was married or single. He went to sell him a car with absolutely no preparation."

"That reminds me further," said Mr. Hawkins, "of one of our salesmen in a certain city who reported on his prospect card that the man would buy a Ford car if he did not go to San Juan—and he let it rest at that. This salesman did not know where San Juan was; did not know what it would cost for the man and his wife to go there; did not refer him to our agent at that place, who happens to be the American Consul, one of the principal men of Porto Rico. He did not suggest to him that if he did go to San Juan he ought to call on our agent there and ride all over the island in a Ford car, the best way of seeing it. And further, he did not tell him that for the expense of going to San Juan for himself and wife, he could buy a Ford car and see every thirty days more of his own beautiful country that he could possibly see in the one trip he would make to San Juan.

"Another agent turned in a prospect card that I picked at random, stating that a firm of national reputation said they 'might buy a Ford car for one of their salesmen.' That was all. Now, there are a dozen officers of that corporation, and if any one else had to take up that card he would have had to go all along down the line to find out which officer. That man was an "excuse-hunter," thinking he was a salesman. I found out which officer it was, called on him with the sales manager, and came back in an hour with an order for twelve Ford cars, with the probability of selling twenty more."

A Definite Task

Mr. Hawkins believes in system. In making an application for an agency for the Ford Company not only is the applicant asked how many Ford cars he expects to sell in a year—requiring him, therefore, to fix a definite task—but he is asked how many he expects to sell each particular month, laying out his work in advance according to a systematic plan. The Ford Company have the agency field mapped out as thoroughly as their wonderful factory. They know how many cars ought to be sold in a particular district; and if they are not sold, the fault is attributed to the salesman. Prospect cards are kept daily, with ample information about prospects; and in one office, at least, that I know of, a meeting of salesmen is held every morning, from eight-thirty to nine, and a record is required to be kept and turned in by the salesman, not only of his prospects but of his movements and interviews every hour of the day.

Neither does Mr. Hawkins believe that a prospect belongs, necessarily, to any particular salesman, but to the Ford Company. The very fact that you have called every day for three years on John D. Rockefeller, Jr., and failed to insure him, not only does not entitle you to that case, but may be the best proof in the world that you are not the man to handle that particular case. Mr. Hawkins believes that it is the right of the head of the office to transfer a prospect at name to the salesman who can handle it; and to shift prospects sometimes.

Character Essential

Further, the Ford Company believe that making of good salesmen requires making a good man. They require their salesmen to be men of good character and habits; men systematic in their work and thrifty and saving money, believing that only by good business methods can they get and keep permanently the class of salesmen they wish. They furnish liberally to their sales force sales letters constantly suggesting new methods of salesmanship and new ways of promoting enthusiasm, and they expect this material to be read and used. And when Mr. Hawkins visits one of their sales agencies, the conventions that he conducts are expected to be attended by the entire sales force, including in this the office force as well. Every one of these methods from this successful head of a successful organization of salesmen can be applied to our own business and can be utilized to increase our own efficiency—if used.

"Don't forget it is harder for a man to say 'no' than 'yes,' and don't be the coward afraid to urge a man to do a good thing because he may say 'no.'"

CONVENTION ARRANGEMENTS COMPLETED

Utah Association Planning Special Entertainment at Salt Lake City for Life Underwriters En Route to San Francisco

Arrangements for the San Francisco Convention are now complete. The General Convention Committee of the San Francisco association have been actively at work for some time past, and sub-committees have been appointed to attend to details of the business sessions and the social features. The registration booth will be located at the Civic Auditorium, and delegates, alternates and guests should register as soon as possible after arriving at San Francisco. Headquarters of the Ladies' Reception Committee will be on the mezzanine floor of the Hotel St. Francis. Tuesday noon, August 10, a complimentary luncheon will be given to visiting ladies. The reception and ball will be held in the evening of the same day at the St. Francis Hotel.

In response to a popular demand at the Cincinnati Convention, the annual banquet will this year be held in the evening of the second day of the convention, instead of the evening of the last day of the convention, as was formerly the practice. This innovation was made with the view to permit attendance at the banquet by those who expected to leave immediately after the adjournment of the convention proper on the third day. Therefore, the banquet will be held at the Palace Hotel, at 7 o'clock in the evening of August 11. The reception by exposition officials in the Court of the Universe at 3 o'clock in the afternoon of August 12 promises to be an interesting, dignified and fitting climax to the occasion.

Warren R. Porter is Chairman of the General Convention Committee, and the other members are as follows:

- | | |
|-----------------------|------------------|
| F. H. Beaver | O. O. Orr |
| E. H. Lestock Gregory | R. L. Stephenson |
| H. R. Hunter | George B. Scott |
| Gordon Hay | J. B. Thomas |
| R. O. Miles | W. G. Taffinder |
| L. B. Messler | W. A. Wann |

Among the sub-committees the following appointments have been made:

LADIES' RECEPTION COMMITTEE

Mrs. Ramsey Probasco, Chairwoman.
Assisted by wives and daughters of the members of the Life Underwriters' Association of San Francisco.

HONORARY MEMBERS

GENERAL CONVENTION COMMITTEE

- | | |
|---------------------|----------------------|
| Rev. F. W. Clappett | Hon. James E. Phelps |
| John Landers | F. F. Taylor |

REGISTRATION, INFORMATION AND CREDENTIALS COMMITTEE

- | | |
|---------------------------|-----------------|
| George L. Bandy, Chairman | S. B. Thompson |
| Otto Langpapp | W. C. Hackmeier |
| W. C. Palmer | E. L. Hackett |
| W. R. Probasco | |

RECEPTION AND BALL COMMITTEE

- | | |
|---------------------------------|------------------|
| E. H. Lestock Gregory, Chairman | L. B. Messler |
| F. H. Beaver | George B. Scott |
| H. R. Hunter | R. L. Stephenson |
| John Landers | Gordon Thomson |

BANQUET COMMITTEE

- | | |
|-----------------------|------------------|
| F. H. Beaver | George Leisander |
| Willard Done | L. B. Messler |
| E. H. Lestock Gregory | R. L. Stephenson |
| H. R. Hunter | George B. Scott |
| F. V. Kessling | |

RECEPTION COMMITTEE

- | | |
|---------------------|-------------------|
| E. W. Armstrong | W. H. Matson |
| W. J. Bell | L. B. Messler |
| Richard Caverly | O. O. Orr |
| Eugene R. Ellis | James S. Osborne |
| Capt. Harry J. Ford | Warren R. Porter |
| Russell Field | Clarence M. Smith |
| B. G. Franklin | George R. Stiles |
| C. W. Gould | A. F. Smith |
| S. M. Griffin | A. M. Shields |
| Paul G. Hausman | F. A. Stearns |
| A. O. Harwood | H. J. Saunders |
| F. W. Heron | J. B. Thomas |
| W. L. Hathaway | E. J. Thomas |
| John M. Kilgarif | W. G. Taffinder |
| Sherman Leonard | Walter E. Vail |
| R. O. Miles | F. S. Withington |
| Reginald Moss | W. A. Wann |

PRESS COMMITTEE

- | | |
|----------------|-----------------|
| E. H. Bacon | F. W. Kellogg |
| J. A. Carey | Reginald Moss |
| J. A. Friedman | W. G. Taffinder |

The itinerary of the special train to the Convention provides for a stop-off at Salt Lake City, and the Utah Association has arranged to entertain the delegates during their visit to that city. Invitations have been sent out to local associations which read in part as follows:

"HERE YE SHALL SEE NO ENEMY"

If you will come to us we will prove to you that the tales of the great inland sea are but half told. We will lead you into its marvelous waters, where you will enjoy the most invigorating bath in the world, while you float like a toy upon its wonderful bosom.

We will take you into our famous Mormon Tabernacle, with its wonderful turtle top, a building two hundred fifty feet long and one hundred fifty feet wide, built without a single nail, a building whose acoustic properties are so fine that a pin fall may be heard from one end to the other; here you will enjoy one of the world's greatest organs, played by a master hand.

We will lead you through long avenues of shade into one of the wonder canyons of the West and cool your heated brow with breezes from the mountains. Then we will take you to the heights and show you "The Kingdoms of the Earth and the Glory thereof"; and we will deliver into your hands the keys to the city which is more interesting, more unique and richer in beauty than any city of its size in the country.

Besides these wonders, we can show you the liveliest bunch of Life men imaginable, in the members of the Utah Association of Life Underwriters."

The list of reservations for the special train is constantly increasing, and following are the appointments of delegates and alternates whose names were not reported in previous issues of the "News":

BALTIMORE, MD.

Delegates

- | | |
|---------------------|-----------------------|
| Ernest J. Clark | John Hancock |
| Charles R. Gantz | State Mutual of Mass. |
| Edwin W. Heisse | Aetna Life |
| Frederick A. Savage | New England Mutual |
| Rudolph C. Shafter | Metropolitan |
| Jonathan K. Voshell | Metropolitan |
| Frank M. Wheaton | Union Central |

Alternates

- | | |
|--------------------|------------------------|
| W. A. Danner | Equitable of N. Y. |
| M. H. Goodrich | National Life of Vt. |
| George M. Kimberly | Phoenix Mutual |
| Charles R. Posey | Mutual of N. Y. |
| Jonathan K. Taylor | Provident Life & Trust |

BLUE GRASS (LEXINGTON, KY.)**Delegates**

W. P. Averett.....	Mutual Benefit
H. Earl Hollowell.....	Union Central
Robert K. Massie, Jr.....	Mutual Benefit
W. Logan Shearer.....	Northwestern Mutual
Harry Staples.....	Union Central

Alternates

James H. Adams.....	Prudential
P. H. Barnes.....	Northwestern Mutual
Geo. W. Johnson.....	Connecticut Mutual
Walter B. Jones.....	Metropolitan
J. N. Miles.....	Phoenix Mutual

BOSTON, MASS.**Delegates**

Percy V. Baldwin.....	Travelers
Ashton F. Carter.....	Northwestern Mutual
Andrew Case.....	Union Central
Floyd E. DeGroat.....	Mutual Benefit
Leon F. Foss.....	Berkshire
J. Everett Hicks.....	Union Mutual
J. D. E. Jones.....	Equitable of N. Y.
Henry R. Nash.....	Union Central
Elmer E. Silver.....	Union Central
Frank H. Stratton.....	Equitable of N. Y.
Walter L. Tougas.....	Union Central
Gen. James G. White.....	Travelers

Alternates

Lloyd K. Allen.....	Union Central
Frank L. Armstrong.....	Standard Pub. Co.
Francis O. Ball.....	Union Central
John Buchanan.....	Insurance Journalist
Joshua B. Clark.....	State Mutual of Mass.
George D. Crawford.....	Mass. Mutual
Charles C. Gilman.....	National Life of Vt.
Frank E. Harlow.....	New England Mutual
Earl G. Manning.....	Provident Life & Trust
Frank E. Rowe.....	Union Central
J. Willard Tuckerman, Jr.....	New England Mutual
Frederic R. Wood.....	National Life of Vt.

BUFFALO, N. Y.**Delegates**

W. G. Justice.....	Provident Life & Trust
Frank E. Lahey.....	Prudential
F. A. G. Merrill.....	State Mutual of Mass.
Samuel Stewart.....	Mutual of N. Y.
Charles N. Weber.....	Home Life of N. Y.

Alternates

George J. Eckhardt.....	Travelers
T. W. Hendrick.....	Niagara Life
Edward D. Horgan.....	Germania Life
Walter J. Shepard.....	Mass. Mutual
H. H. Smith.....	Aetna Life

CAPITAL DISTRICT**Delegates**

H. Bernard.....	Mutual of N. Y.
Henry F. Condict.....	Mutual of N. Y.
T. J. Connolly.....	John Hancock Mutual
William B. Phelps.....	Travelers
W. J. Sullivan.....	Metropolitan

Alternates

Howard B. Dutcher.....	Provident Life & Trust
A. B. Mallory.....	Connecticut Mutual
E. L. Post.....	Prudential
E. D. Primmer.....	Phoenix Mutual
E. J. Vrooman.....	Fidelity Mutual

CHATTANOOGA, TENN.**Delegates**

J. W. Bishop.....	Volunteer State Life
C. H. Crimm.....	Germania Life

A. S. Glover.....	Northwestern Mutual
C. H. Royalty.....	Union Central
T. C. Thompson.....	National Life of N.

Alternates

W. E. Baker.....	New York Life
C. W. Biese.....	Prudential
F. M. Keys.....	Phoenix Mutual
P. W. Shepherd.....	Home Life of N.
E. N. Wester.....	Mutual Life of N.

CHICAGO, ILL.**Delegates**

Edwin Austrian.....	Northwestern Mutual
C. F. Axelson.....	Northwestern Mutual
Courtenay Barber.....	Equitable Life Assurance
L. B. Bishop.....	Mass. Mutual
John T. Burford.....	Illinois Life
E. H. Carmack.....	State Mutual
H. C. Castor.....	Connecticut General
Samuel T. Chase.....	Connecticut Mutual
F. A. Cotharin.....	Union Central
Wm. F. Crawford.....	Equitable of N. Y.
Darby A. Day.....	Mutual of N. Y.
Edward A. Ferguson.....	Union Central
Jules Girardin.....	Phoenix Mutual
Isaac M. Hamilton.....	Federal Life
Ralph H. Hobart.....	Northwestern Mutual
Byron C. Howes.....	Union Central
James W. Janney.....	Provident Life & Trust
J. F. Johantgen.....	New York Life
Frank E. Jones.....	New England Mutual
P. L. Kraus.....	Metropolitan
Robert D. Lay.....	National Life of U. S.
F. A. Lorenz.....	Aetna
Fred B. Mason.....	Aetna
Alfred MacArthur.....	National Life of U. S.
Clyde J. McCary.....	Penn Mutual
John R. McFee.....	National Life of U. S.
George R. McLeran.....	Home Life of N.
James H. Miles.....	Union Central
W. Edwin Nichols.....	New York Life
J. F. Oates.....	Northwestern Mutual
Robert F. Palmer.....	Berkshire Life
H. S. Standish.....	Union Central
Timothy F. Toohey.....	John Hancock Mutual
H. D. Wright.....	Metropolitan

Alternates

Sidney J. Adler.....	Mutual Benefit
D. M. Baker.....	Pacific Mutual
Silas M. Barr.....	Equitable of N. Y.
Arthur B. Bohan.....	Northwestern Mutual
Gerard S. Brown.....	Mutual Benefit
Chas. F. Bullen.....	Canada Life
C. M. Cartwright.....	"The Western Underwriter"
Hubert A. Clark.....	Northwestern Mutual
D. G. Drake.....	National Life of U. S.
Ralph E. Garber.....	Union Central
J. W. Jackson.....	Pacific Mutual
H. B. Johnston.....	Missouri State
Herman Kremer.....	Penn Mutual
Fred M. Kremer.....	Northwestern Mutual
Max Lindauer.....	Connecticut Mutual
Fred Mahler.....	Northwestern Mutual
P. J. V. McKian.....	"Insurance Policy"
Frank H. Merrill.....	Mutual of N. Y.
Wm. B. Millar.....	Northwestern Mutual
Chas. S. Rannells.....	Federal Life
A. J. Reed.....	U. S. Life
O. D. Richardson.....	Berkshire Life
A. L. Saltzstein.....	New England Mutual
A. X. Schmitt.....	Prudential
Thomas Shields.....	Illinois Life
George W. Speck.....	Phoenix Mutual

SECURING AND EDUCATING SUB-AGENTS

Is Imperative for the General Agent to Have a
Definite Plan and to Adhere to
It Faithfully

The following address was delivered by Albert H. Curtis, general agent for the New England Mutual at Boston, at a recent meeting of the General Agents Association in New York City. Mr. Curtis discusses an important question from personal observation. Upon an effective solution of these problems depend the livelihood of the general agent, manager or superintendent. The author brings to light several original lines of thought.—Editor's Vote.

Under the subject, Securing, Educating and Supervising agents, might be included all the methods and problems of selling organization of life insurance companies. I shall speak from personal experience, and shall endeavor to review the fourteen years covering the history of the Boston agency.

It seemed to me at the outset that plans should be made whereby the agency should have a gradual, wholesome growth, increasing at the rate of approximately \$100,000 new business per year. There might be years when conditions would not permit such a gain, and in such cases it would be necessary to redouble our efforts the following year so as to more than make good the loss. In short, everything depends on having a plan.

We have all seen country estates where the owner began a small way adding an ell, putting on a bay window, erecting a building here and there; all apparently without regard to the general effect. Again, we have seen others where a method and plan had been decided upon before starting. The buildings were located the right distance from the street; there were walks, steps, and shrubbery all in their proper places so that the result as a whole was pleasing and attractive. Just so in our general agency work if we are to succeed, it is imperative that we have a plan and adhere to it faithfully. Dreaming will not bring results; action is necessary. Doing the right things over and over, month after month, year after year, will surely bring its reward. Of this I am of consistent work, that eminent psychologist, William James, has said: "If a man keeps faithfully busy each hour of the working day, he may safely leave the final result to himself. He can with perfect certainty count on waking up the fine morning, to find himself one of the competent ones of his generation, in whatever pursuit he may have singled out."

You ask me is there any limit in our business. There may be but that limit should be vast, and a long distance in the future. For our purposes it is an incommensurable limit. Our subject divides itself into three parts:

Securing Agents

The question arises, "How and Where?" To obtain the right kind of men, the general agent must have a vision of the possibilities in the business of life insurance. We all know that successful banks, bankers, and brokers have no difficulty whatever in obtaining well educated young men from good families who are glad of the opportunity to enter their life work, beginning at a salary of from five to ten dollars per week. You and I know that the possibilities for the right kind of men in life insurance business are just as great, even greater, than in other lines of business, especially where there is no capital to be invested.

We should look for young men precisely for the same reason that a farmer would wish to obtain a colt instead of a horse ten or twelve years old. There may be some trouble in training the colt, but when he is once trained your way,

then you have the benefit of the best there is in him and an asset good for years to come.

Much of the material from which you have to choose agents is undesirable and unfavorable. You cannot afford to take on those who have been failures in other lines, or accept agents from other companies who are simply looking for a little more favorable contract. In our agency, we have only two men formerly with other companies, and while it took them some time to learn our way, they are now settled in our environment and are thoroughly loyal New England agents.

The Best Selection

The best selection is young men about twenty-five years of age who are anxious to come into our business to make it their life work. If the general agent has used his own sub-agents so well that they are entirely satisfied, he will find them constantly recommending to him their friends and acquaintances, and thus many good agents will be secured. To stimulate the interest of your agents in enlarging the agency force, a bonus of say one dollar per thousand of business placed by the new agent, during the first year, will be found to be an effective inducement. This method secures the cooperation of the older agents who have an especial interest in the success of the new man they have introduced. The general agent thus obtains most valuable assistance in the education of his new recruit.

General agencies located in large cities should always have an understanding that the men who come to their offices are to give their full time. Anything short of this will be a handicap and cannot but result disastrously. I would not have it understood that one of our agents should never write a fire or accident risk if it came to him through one of his clients, but if he has to go around the corner to obtain this business, he had better leave it alone. I would impress upon the agent that for every one dollar he makes in outside lines he loses in the long run five dollars in life insurance commissions. The company is also paying the rent of his office, and giving to him certain conveniences which should obligate him to work life insurance alone. If he will not do this, he ought to resign and make room for some man who will.

Educating Agents

It is our belief that every new agent should take a course of study of at least two weeks before he attempts to do any soliciting. There are certain books which we have used in our agency, such as: "The Science and Art of Writing Life Insurance," by Melvin Young; "Plain Reasons," by C. W. Pickell; "Imagination in Business," by Lorin F. Deland, and the New England Mutual's Loose Leaf Service Book, by G. S. Hastings.

The new agent will need to vary his course of study in order that it may not become monotonous. During his early study he should read all the company's literature and learn how to make exhibits of the different policies. He should be required to report every morning to the general agent or his assistant who should see that he understands what he is doing and that he is taking hold of his material rightly.

Some of these lessons should be so thoroughly drilled into him that he will have a "line of talk" so that when he has an interview with a prospect he will not be at a loss for the right kind of argument. The value of learning things thoroughly at the beginning has not been emphasized as much in life insurance as in some other lines. With some concerns who sell publications upon the instalment plan, it is the rule that every representative shall have learned perfectly a certain "line of talk" before he is allowed to represent the company. I should not advocate this parrot-like method, but I do want to emphasize the necessity of the agent knowing his company and its contracts, so that he will have the necessary confidence and assurance, and thus make an enthusiastic presentation.

It is all important that he know something of the history and record of his own company, and have thoroughly fixed in his mind certain good reasons why he is representing the

New England Mutual instead of some other company. Unless he can be made to feel that he has some distinct advantages and that he would have made a mistake to have gone elsewhere, the general agent cannot for one moment afford to waste any time upon him, for such a man will surely fail.

Supervising Agents

Begin by teaching the new man the necessity of obeying to the letter the rules and regulations of the company. If you have him begin this way you will save not only him, but your office much trouble, and it is a well-known fact that obedience is one of the first laws of success.

When applications are rejected by the company, as about 10 per cent will be, teach him to take his medicine without whining, have him understand that he must not give way to disappointment, but simply grit his teeth, get busy and secure another application.

As every skilful mechanic has his own tools, so every agent should be in possession of certain facts, data and material, which he has accumulated and knows how to use. I always advise the new man to subscribe to some insurance publication and to read it faithfully. He should be encouraged to mark and file in a scrap book where it will be available any material which is likely to be helpful in the future.

It is well to have occasionally for his instruction an illustration of insurance soliciting. This can be done by having one agent solicit another, or you may have him approach you as though you were a prospect. Such experiences to him will be well worth while.

Teach your men the necessity of being masters of the situation. The agent who knows a few things and knows them well is worth a dozen who simply have certain information and general facts which they are not able to press with convincing power upon their prospects. A physician who is a known authority can as easily collect a fee of fifty or one hundred dollars as the ordinary doctor could charge two or three dollars for a visit, and such a physician will find plenty of patients who will be glad to pay him for his valuable services.

A Good Plan

One of the most helpful things which you can do for your agents is to have them occasionally bring one of their prospects to your office and watch you close the risk. Frequently a line of argument will be developed which will supply just the points which have been lacking in order to enable him to present his subsequent cases successfully. You will often find your agents talking one or two thousand where the applicant was really good for a much larger amount. Recently, one of my agents brought a man to the office whose application he had obtained for two thousand dollars. Upon going over the case I found that the applicant was at the head of a large business, had a family consisting of a wife and two young children. The idea of providing an income appealed to him, and with a little talk I was enabled to raise the application from two thousand to eighteen thousand, which under our optional instalment agreement would give to his beneficiaries in event of his death one hundred dollars a month for twenty years.

Don't ever be niggardly or close in dealing with your agents. It will pay to give them the benefit of the doubt and now and then if you can hand over to them a reasonably good prospect it will have the effect of tying them to you all the more closely.

Some of you may have been unfavorably impressed with our offices at the Boston agency because they are many and small. Yet really this is one of the best points in favor of supervising successfully an agency force. It is my belief that four men in a room should be the limit. In every case special effort should be made to have men together who are thoroughly congenial. To this end the general agent will need to use tact, and if there are any vacancies, find out the particular one whom the other agents would like to have join their number.

We all know how contagious are some diseases, such as

smallpox, diphtheria and scarlet fever. Equally contagious are the results of rejections and adverse rulings from the home office unless they are wisely handled. A disgruntled and dissatisfied agent can do more to dampen the ardor of your entire force if something has arisen to unsettle him than you can offset in a long time. For this very reason, if the rooms are small, the disappointments and grievances can be better controlled.

Discourage especially what is known as visiting or the habit of going from one room to another, telling stories, talking politics or baseball news. Impress upon your men the fact that every moment is valuable and if one of them hasn't anything to do he had better sit quietly by himself than to go and waste the time of another man who would otherwise be about his work.

Room Contests

It is well to select what should be known as room captains who will have oversight of their particular room. To this end occasionally you can bring about room contests and establish a certain amount of rivalry and local pride which will lead the men to encourage one another to do their best.

Sometimes a new man can be brought under the supervision and direction of an older agent by sharing with him for a time a certain portion of the first commission. The older agent will thereby be recompensed and good results will be obtained.

Insist upon having the men keep a systematic record of each day's work. For this purpose, a book should be provided by the office into which the interviews may be recorded and checked up weekly by the general agent or his assistant. It is well to offer a reward at the end of the year if a certain amount of work has been done and properly recorded, for well directed and systematic work in the long run will bring its reward.

The company's list of leading agents has been one of the most helpful means of keeping up and maintaining a certain standard of efficiency. We have made it a practice to give a five dollar gold piece to every one of our men each time his name has appeared on this list more than once during a period of six months. These prizes are presented at the Tuesday morning agency meetings. The effect is wonderfully good, not only upon those who receive the reward, but in that it awakens a desire in those who have been less fortunate to do their best to be on the list the following month.

Through this means two of the men in our office have had their names appear on the company's list of leading agents for more than forty consecutive months without a single break, and this may be one of the reasons why one of these men has led the entire list of agents of the company for more than one year in paid-for new business.

Weekly Meetings Important

For agencies in large cities too much importance cannot be made as to the necessity and desirability of weekly agency meetings. We have found it best to hold them at nine o'clock in the morning at our office. Such meetings are short, never much more than half an hour, and we make sure that live topics are discussed and information presented which will be up to date and to the point. Occasionally an outside man gives them a talk on "Salesmanship" or something equally important. Get your men to ask questions at these meetings and frequently have them read papers or give some experience showing how they have won out in difficult cases. At least once in six weeks or two months the general agent should have all of his men together at his club for an evening or informal luncheon. He will thereby weld his force into one great and enthusiastic machine, which will go forward under his leadership towards greater achievement. At the agency meetings insist upon promptness, and to this end it is well to have a record of attendance, noting particularly those who are late or absent, for you will thereby impress upon your agents the necessity of being always on time and that every moment of these meetings is so important that they cannot afford to miss anything.

Do not hesitate to drop the weaklings. When you have found that a man is unfitted for the business and that he cannot be made to come up to your standard of efficiency, even though he may be writing an occasional risk, his influence upon the office will be bad. It is much better to have a quiet talk with such an agent and have him drop out rather than to allow him to remain and occupy valuable office space. Aside from this, much better work can be obtained where each one of the force is getting a reasonable amount of business than if the results were obtained by a few and the others are largely hangers on.

In closing, permit me to again urge upon you the necessity of having a plan and working that plan faithfully. Ours may not be adapted to your office or to your territory, but surely if you are in earnest and you have a desire for agency development, you will be able to devise a plan which will lead you on to victory.

I keep on my desk before me a motto which I give to you as a closing thought, a quotation from Oliver Wendell Holmes:

"Be firm; one constant element of luck,
Is genuine, solid, old Teutonic pluck.
Stick to your aim; the mongrel's hold will slip
But only crowbars loose the bulldog's grip;
Small tho' he looks, the jaw that never yields
Drags down the bellowing monarch of the fields."

THE THREE POLICIES—FROM "LIFE"

Once upon a time there was a beautiful princess who was passionately admired and loved by everyone who saw her picture in the leading fashion papers week after week, as she sat on a fence looking at a football game, or was walking with her chow dog in a high wind.

One day the princess ordered a proclamation to the following effect sent out:

"Here are three insurance policies. The young man in all my kingdom who can interpret any one of them correctly can have my hand in matrimony."

The news rapidly spread, and the next morning three young men presented themselves for the test.

Said the first:

"This means that in case your palace burns down you get 80 per cent of the difference between what it is appraised at, less what the company thinks you ought to have, minus what the last legislative body thought ought to be conceded on account of a bad fire that took place in Constantinople year before last."

Everybody cheered at this, and the first suitor began to make calculations on the back of an envelope as to the cost of a wedding breakfast.

Then said the second suitor:

"Hem! This is an accident insurance, covering loss of limb or death or other injury—provided that the deceased was in good health at the time, and did not suspect anything. Also, if the moon was in the third quarter, or he was lying under a motor car with a west wind, then everything is null and void, in which case the weekly indemnity, if any is subject to a fine and possible imprisonment, all common carriers excepted."

The second suitor was also highly applauded, and it really looked as if he might get all the gate money, when the third suitor stepped forward. He was, as is customary, much handsomer than the other two, and very poor and honest, and really needed looking after; but when the princess handed him the third insurance policy he shook his head and refused it.

"Your majesty," he said, "you will have to pardon me, but I didn't know what the test was. I am young and innocent, but I know too much, I hope, to attempt to interpret any insurance policy in these days. Sorry to lose you, but I beg to withdraw."

Then the princess threw herself in his arms, while the grand vizier ordered a couple of underwriters buried alive.

"I knew by the blank look on your face, darling, that you were a sure winner," cried the princess.—*Life*.

ROBERT LYNN COX'S ANNUAL REPORT

Shows Substantial Reduction in Number of State Laws Enacted, on the Other Hand an Alarming Tendency Toward Increased Taxation

In his annual legislative report to the Association of Life Insurance Presidents, General Counsel Robert Lynn Cox especially emphasized the substantial reduction in the number and size of State laws enacted this year affecting the business of life insurance. The report stated further that the laws enacted up to the date of the report, June 4, number 79, as against 97 up to the same time in 1913 and 94 in 1911. It was found preferable to make comparisons between 1913 and 1911 because the conditions were practically similar with respect to the number of legislatures in session during these years.

Mr. Cox's report continues in part as follows:

In presenting our ninth annual legislative review, we are led to comment on a decided change this year in the character of legislative proposals concerning the business of life insurance. There is an appreciable falling off in the number of measures of a purely regulative nature, both as to those introduced and as to those enacted into law.

Additional Taxation

On the other side of the balance sheet is the alarming increase in measures providing for additional taxation. In fact, the swelling volume of taxation proposals that were presented this year more than overcame, in point of numbers, the reduction in other classes of measures received. This situation reflects agitation and unrest among the States on the subject of taxation. Largely increased expenditures in practically every State are causing officials to seek additional sources of revenue, and the corporations, with their open books, become the easiest victims. Included among the year's innovations is a modified form of the Federal Income Tax Act, adapted to the needs of a State government, and involving a separate and additional tax upon life insurance.

Thus far this year the Legislatures of forty-two States have met in regular sessions, and that of one, Georgia, will meet later this month. Two States, Louisiana and Virginia, have convened in special session, the former not having yet adjourned. One or more extra sessions have also been held by four of the States holding regular sessions, namely: Arizona, New Jersey, Texas and West Virginia. Thus the Legislatures of forty-four States have been in session since January 1st, and, when Georgia meets, the year will show a total of forty-five States whose Legislatures will have been in session. This leaves only three States of the Union in which Legislatures are not scheduled to meet this year, namely, Kentucky, Maryland and Mississippi.

These statistics do not include the District of Columbia, where some bills of more or less interest have been pending in Congress. Inasmuch, however, as they were introduced under date of 1914, we have not included them in this year's review.

Of the forty-four Legislatures in session thus far this year, all except seven have adjourned. Those seven are Alabama, which has taken a recess until July 13th; Arizona, Florida, Illinois, Louisiana, Massachusetts and Wisconsin.

From the forty-four Legislatures which have met thus far, there were received 2,317 measures which it was deemed necessary to scrutinize carefully in this office. This does not mean, of course, that when each measure was thoroughly analyzed it was found to affect some phase of the business of life insurance, but they were all of a character that made it essential to examine them to determine whether they would adversely affect the interests of policyholders, and therefore call for opposition or requests for amendment. As against these 2,317 bills for this year, 2,109 were examined up to the same time in 1913, 1,650 in 1911, and 1,250 in 1909. Thus an increase is shown of thirty per cent. from 1909 to 1911; of twenty-five per cent. from 1911 to 1913; and of ten per cent. from 1913 to 1915. California heads the list of bills with 154, maintaining the same position in this respect that it held in 1909 and 1913. The second in number was Kansas, with 130. Others in their

numerical order were Minnesota, 109; Illinois, 103; Massachusetts, 99; Wisconsin, 93; and Pennsylvania, 85. The smallest on the list of those in which regular sessions were held was Arizona, with 10.

The increase in bills from year to year should not be construed to mean that all of these additional measures related directly to life insurance or were so intended. Some of the increase was due to the enlarging scope of the Association's activities. To thoroughly cover the legislative field from a life insurance viewpoint necessitates the examination of certain types of general corporation, investment and other classes of legislative proposals having an indirect rather than a direct relation to our business. Our work, therefore, is being gradually extended to include these collateral branches of legislative activity.

A Physical Reduction

Despite the increased number of bills which it was necessary to examine this year, there has thus far been a remarkable falling off in the number of laws enacted affecting the business of life insurance. The number is seventy-nine, as compared with ninety-seven at this time in 1913, and ninety-four in 1911. There is also a considerable reduction in the physical bulk of the new statutes, due in part to the absence of Insurance Codes among the laws enacted thus far.

Standing out prominently in this year's batch of legislative proposals are the numerous tax bills of various characters. Where up to this time two years ago we had received 302 bills in this classification, we have thus far had 734—considerably more than double. Where two years ago this classification covered taxes on premiums, on assets, franchise and corporation tax, including capital stock, favorable and unfavorable mortgage taxes and general assessment and revenue measures, there was added this year a new class so far as State legislation is concerned, namely, the modified form of Federal Income Tax already referred to; it was also deemed advisable to subdivide some of the old classifications into municipal taxes and general and special State Tax Commissions, to the end that the tax situation might be more thoroughly studied.

Some Favorable Legislation

The number of bills amending sections of law imposing the premium tax on life insurance companies was twenty-two in thirteen States, as against twenty-eight such bills in 1913. A small minority of these measures was of a favorable character, either permitting the deduction of dividends or rearranging the language so that the same might be accomplished. Others made changes in existing law with respect to other classes of the insurance business, but of course had to be watched for eleventh hour amendments. Still others provided for increases in the premium tax rate on life insurance. One in North Carolina, which was strongly urged, increased the tax from $2\frac{1}{2}$ per cent. to $2\frac{3}{4}$ per cent., at the same time making a reduction in the flat license fee. This measure was finally amended, leaving life insurance taxation on the old basis. In California an administration measure increasing taxes on corporations generally was enacted into law, including a provision increasing the tax on life insurance premiums from $1\frac{3}{4}$ per cent. to 2 per cent. In Virginia a special session of the Legislature was held to pass upon legislation following a two years' study of the tax situation there by a special tax commission. This measure, which provided a readjustment of taxes on corporations and persons generally, included an increase in the tax on life insurance premiums from 1.4 per cent. to $2\frac{1}{4}$ per cent. To compensate the companies in part for the direct increase in the State tax on premiums, the measure eliminated the old annual specific license fee of \$200 and provided exemption from municipal taxation. As thus framed the bill was enacted into law. In Delaware a law was enacted permitting for taxation purposes the deduction of dividends from the gross amount of insurance premiums.

Bills falling into the classification of general franchise and corporation tax, including capital stock, numbered seventy-three this year in twenty-nine States, as compared with sixty bills in 1913. There was a substantial change, and an unfavor-

able one, in the character of these bills as compared with those of preceding years. Formerly these measures, while their general phraseology might in some cases be construed to include a tax on life insurance, were usually found, upon inquiry, not to be intended to cover life insurance because of its being taxed specifically under other laws. This year, however, life insurance was specifically included in a number of such bills, special rules even being laid down for such additional taxation, while in other instances it was stated that the measure had been made purposely broad enough to include life insurance as well as other corporations. In the end, no bills of this character were passed taxing foreign life insurance companies.

Bills were Patterned

In every instance the bills patterned after the Federal income tax statute that were introduced imposed a tax on life insurance in addition to that already collected under existing laws. Generally speaking, this legislation sought to tax the income of corporations upon the same formula as the Federal statute, the basis used being usually the amount of income from business done within the State. Such measures were introduced in Connecticut, Utah and West Virginia.

The measure in Connecticut, which provided for a flat rate of one per cent., did not reproduce the phraseology of the Federal statute, but provided for filing, with the State authorities, a statement of the net amount of income reported to the Federal government with a sworn statement of the value of the total business done and of the value of the business done in the State. This measure was not strongly urged and was finally rejected by the Senate, in which body it originated.

In Utah the bill followed the form of the Federal Act, and required a similar elaborate system of reports to the State. The tax rate was one-half of one per cent. The measure was at first quite popular and it became necessary to urge amendments exempting life insurance. Finally the entire bill was abandoned.

Further evidence of the unrest among the States on the subject of taxation is to be found in the number of measures dealing with miscellaneous revenue and assessment matters and with the appointment of special and permanent tax commissions.

Miscellaneous Revenue

Where in 1913 the number of measures concerning miscellaneous revenue matters was ninety-three, this year it had increased to three hundred and sixty-two in thirty-nine States. Many of these involved proposed changes in existing laws in which insurance had merely an incidental interest, and while it was necessary to watch them for fear of possible amendments, not much opposition was involved. Out of the entire grist, three laws were finally enacted affecting life insurance, and then only in matters of detail.

Eighty-one bills were introduced in thirty-four States concerning State tax commissions. Some provided for temporary boards to make special investigations of the entire subject of taxation. Others arranged for permanent State tax commissions or for changing the functions of existing bodies. In fact, the number and variety of these measures add to the impression of a constantly shifting and readjustment of lines in the effort to solve tax problems. One measure which was enacted into law was House Bill No. 207, introduced in New York, transforming the State board of tax commissioners into the State tax department, and transferring to such department certain powers of the Comptroller. Among other things, this law provides that the tax reports formerly made by insurance corporations to the State Comptroller shall hereafter be made to the new tax department.

There were eighteen bills dealing with municipal taxes in seven States. The only one of interest that was finally enacted into law was in Pennsylvania. Two years ago the Legislature there, in enacting a law for the government of cities of the third class, authorized the imposition of a license fee upon insurance, thereby, in effect, repealing to that extent the provision in the insurance code exempting insurance companies

or their agents from local taxation. This year a bill re-enacting the exemption has become a law.

One striking exception to the general falling off noted in most kinds of life insurance regulatory measures this year is to be found in that class of legislation requiring a foreign insurance company to invest a certain percentage of its State reserve in specified securities issued within such State. Two years ago we commented on the fact that bills of this character had been presented in a total of six States, as compared with four States up to the same time in 1911. Up to date this year, however, twelve bills of this or similar character have been presented in nine States, namely: One in California, three in Florida, one in Illinois, two in Kansas, one in Michigan, one in New Hampshire, one in North Dakota, one in Oklahoma, and one in Pennsylvania.

New England Invaded

In the past such proposed legislation has been confined, as a rule, to the South and West, although one bill was presented in Massachusetts in 1914. This year it will be noted that another New England State was added to the list, as well as a middle State and two middle-west States. The bill was very actively advocated in some of the nine States in which it was introduced, particularly in Florida, Kansas, Michigan, North Dakota and Oklahoma. However, thus far no such measure has been enacted this year, and with two exceptions the Legislatures of the States in which they were introduced have adjourned.

There was a marked decrease in propositions to imitate the Wisconsin State life insurance fund law. Nine bills were introduced on this subject in five States, namely: Kansas, Massachusetts, Nebraska, Oklahoma and South Carolina, as against twenty-three presented in thirteen legislatures in 1913. The same result is noted as in 1913, for all nine bills thus far presented this year were adversely reported on. No opposition was presented to this class of bills by this association nor by any other organization of life insurance men, so far as we have been advised.

Further progress toward statutory uniformity was accomplished through the enactment of laws providing for the amortization method of valuing fixed term securities of life insurance companies. Measures following more or less the phraseology of the New York, California and Massachusetts statutes were enacted this year in four States, namely: Connecticut, Maine, Pennsylvania and Wisconsin.

Code Legislation

There was a decided falling off this year in legislation of the character classified as insurance codes. Where two years ago complete codes were enacted in three States and exhaustive proposals were made in several others, there was nothing this year that could be classified as complete code legislation. The nearest approach was in Colorado and Washington, where substantial amendments were made to the present codes, and in Alabama, where some eight bills are pending providing, among other things, for a separate Insurance Department.

The subject continues to be a fruitful one for presentation to Legislatures. This year there were ten bills in as many States, as against seven bills in 1913. All of them were confined to insurance companies. Thus far, none of the ten bills has been enacted into law and most of the Legislatures in which they were presented have adjourned. One such measure, in Nevada, passed the Legislature, but was vetoed by the Governor.

Bills providing the transfer of insurance suits to Federal courts, or amending existing laws with respect to the same, were introduced to the number of nine in six States. None of these were enacted into law.

Eleven bills dealing with the exemption of policy proceeds from creditors' claims and with various questions involving the rights of beneficiaries were introduced in six States. Four of these have become law.

This year there was no legislation on the subject of limiting

the expenses in the organization of new insurance companies, except an amendment to existing law proposed in one State. Legislation along similar lines, namely: Examination for promoting and allied companies, was confined to three bills in as many States. The subject of anti-board contracts appeared in only one State, Florida, where two bills were offered.

Twenty-one bills were introduced in thirteen States regulating lobbying, as compared with thirty-four in 1913. One bill was enacted into law in Indiana.

Classification of measures which were passed upon and not noted above include the following: Fifty-six bills in twenty-two States, dealing with venue and court proceedings, one becoming a law, five bills in three States dealing with the testimony of physicians and surgeons; sixteen bills in thirteen States dealing with service of process, two thus far being enacted into law; thirty-six bills in twenty-six States, concerning agents, brokers, etc., thirteen of which bills became laws; eight bills in five States, dealing with embezzlement by agents generally, two becoming laws; eighteen bills, in ten States, dealing with general investments of life insurance companies, one becoming a law; sixty-seven bills, in twenty-five States, dealing with departmental matters, seven becoming laws; twenty-three bills, in ten States, relating to anti-rebate, anti-twisting, and anti-misrepresentation, one being enacted into law; four bills, in two States prescribing special policy provisions; eight bills, in six States, dealing with publication of statements; seven bills, in six States, dealing with proposed retaliatory laws, one becoming a law; and two hundred and eight bills, in thirty-seven States, dealing with the transactions of corporations generally, two resulting in laws, which were of interest to the life insurance business.

Co-operation Results

With the exception of tax increases, the laws enacted thus far this year do not add substantially to the burdens of life insurance policyholders, while some of the new statutes are in the interest of uniformity or otherwise improved conditions in the field in which the companies operate. The practical co-operation existing between the representatives of the life insurance companies all over the country—a co-operation that was heartier than ever before—has contributed largely to this happy result.

As to the tax situation the year's developments show that it is not peculiar to the institution of life insurance. Legislators have been looking in many new channels for revenue as well as trying to further develop most of the old ones. While expenditures have been on the increase generally, some of the States are confronted at the same time with loss in revenue from a hitherto permanent source. Up to last September, there were nine States in which the sale of intoxicating liquors for beverages was prohibited. Since then nine more have voted for prohibition, making a total of eighteen. The immediate effect has been a considerable loss of State revenue, which of necessity meant readjustment of the basis of taxation.

States turn to life insurance funds, among others, as an easy source from which to make up the deficiency caused by loss of their accustomed revenue from the sale of liquor. Therefore, it is more important than ever before to point out the economic worth of life insurance and make the public understand that it is one business whose direct result is to relieve governments from the care of individuals and families who otherwise might be dependent upon the State for support. Instead of imposing burdens upon society, its operations tend to conserve and protect human life and happiness against the destructive forces of waste and death. As an institution of this character it should not be sought out by the tax gatherer when looking for new sources of revenue with which to meet the burdens resulting in part from a failure of individuals to carry life insurance. On the contrary, it should be relieved from the tax burdens which it now has to carry, to the end that its operations may effect even greater savings in governmental expenses. That is the message which life insurance must carry to the States needing additional revenue.

Life Association News

A MONTHLY JOURNAL DEVOTED TO THE INTERESTS OF ALL
LIFE INSURANCE AGENTS.

PUBLISHED BY THE
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ARTICLE II OF THE CONSTITUTION.

"The object of this association shall be to advance the best interests of the cause of true life insurance."

Address all communications to

EVERETT M. ENSIGN, Editor and Manager.

Telephone. 4244 John.

LIFE ASSOCIATION NEWS, 56 Pine Street, New York City.

This newspaper is owned by the National Association of Life Underwriters, unincorporated, a voluntary association; Hugh M. Willet, president, Fourth Nat. Bank Bldg., Atlanta, Ga.; J. Henry Johnson, secretary, Colcord Bldg., Oklahoma City, Okla.; H. Wibirt Spence, treasurer, 306 Penobscot Bldg., Detroit, Mich.

SUBSCRIPTION PRICE, \$1.00 A YEAR IN ADVANCE.

PROMINENT COMPANY OFFICIALS HAVE VIRTUALLY ENDORSED THE EDUCATION AND CONSERVATION PLAN

It should be noted that in the propaganda of The Education and Conservation Bureau, a campaign of Institutional Educational Advertising was deemed to be advisable because it would educate the public as to the benefits of life insurance; give the public valuable information on the selection of policies; cure to a large extent, the unnatural and unnecessary aloofness on the part of the public for life insurance and the life insurance agent; give the public valuable information in regard to taxation and insurance laws; aid materially in the matters of conservation of insurance and the conservation of health, and result in better service all along the line to the public, the companies, and the agents.

An objection has been put forth to the propaganda on the grounds that sufficient funds could never be raised to carry on the work of the bureau. This argument is a lifeless thing. Without waiting for company contributions, The Education and Conservation Bureau is now well organized, and has already accomplished much good work.

The question now arises as to whether or not the various companies will contribute to the fund necessary to carry on the work in the future. It has been intimated that the bureau could not expect financial assistance from the companies. However, a brief review of public utterances of prominent company officials, would seem to convince us that such a viewpoint is not based on solid premises. At the fifth annual meeting of The Association of Life Insurance Presidents, John R. Hegeman, president of the Metropolitan Life, referred to five specific objects which gave birth to The Association of Life Insurance Presidents. Mr. Hegeman declared that these all centered in its first and dominant declaration—"to promote the welfare of policy-holders." Proceeding to elucidate this point, Mr. Hegeman said in part:

Obviously this is a work of Education—of patiently and persistently supplanting ignorance and malice by plain fact and sober truth. We must reach Policyholders; the Press; Municipal, State and National departments; Legislatures; all instrumentalities, in brief, that have the making and the moulding of judgment and opinion, or the enforcing of sound remedial and protective measures.

At the same meeting, P. D. Gold, Jr., then vice-president and manager of the Jefferson Standard Life Insurance Company, referred to a resolution passed at the first meeting of the American Life Convention in 1906. The portion of this resolution quoted, follows:

That we favor the utmost publicity in the life insurance business. We invite the closest supervision of honest public officials. We favor such uniformity of laws in the several states as shall safeguard the interests of policyholders, avoid abuses and acquaint the public and policyholders with all the details of the business. We believe in taking the policyholders into the confidence of the management, and believe that corrupt officials should be promptly punished. The searchlight of careful, competent and honest investigation has no terrors to honest life companies.

One of the strongest addresses made at this meeting was delivered by William H. Hotchkiss, then superintendent of insurance of New York. Witness Mr. Hotchkiss' indorsement of the Education and Conservation movement.

For, mark you, if insurance companies of all kinds would, for the common good, but make a serious and effective effort to economize on present items of expense, so that, without increasing burdens, a considerable sum could annually during the next ten years be apportioned for and spent in a comprehensive campaign of education; if just a little of the energy now exerted in competitive practices could be put into such a campaign; and, most of all, if the great army of agents—their company allegiance, for a time, put aside—could be mobilized into a mighty force of trained insurance teachers—present prejudices against insurance companies would considerably vanish, and, with their selfish interest quickened by knowledge, the people of this nation

Are You Coming to San Francisco?

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"COME TO THE PACIFIC WITH WARD"

At least for a visit, and if you are open for a proposition, then also an interview on the possibilities of selling Life Insurance in the Pacific Northwest, for the

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H. H. WARD, Manager Pacific Northwest

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would put state insurance in all its forms for ever aside. Dr. Luther H. Gulick, another speaker at the meeting in question, touched lightly upon the question of publicity. Dr. Gulick did not contemplate the necessity of educating all the people; he thought a small percentage would be sufficient, for he said:

Public opinion is not the sum total of individual opinion, because public opinion is a mutually conscious opinion. Ten per cent of a community thinking alike on some topic, each one knowing that the rest are thinking alike on that topic, will create a public opinion that is powerful, much more powerful than usually obtains in any community on any subject, because ten per cent of any community is a large percentage to think about any one thing.

Robert Lynn Cox, general counsel and manager of the Association, agreed thoroughly with the remarks of Dr. Gulick, saying in part:

I was much interested to-day in the address of Dr. Gulick, in which he suggested that if we could succeed in getting 10 per cent of the people to think along the same line at the same time it would be regarded as a tremendous wave of popular opinion. If that be true, our path seems to me to be fairly clear. Educating the public regarding our business is not much of a task. Sometimes we think we have to educate the entire populace to our way of thinking. That is not true. I believe Dr. Gulick is quite right. Get ten per cent, aye, five per cent, to think with us, and we will accomplish wonders in the way of bettering the business of life insurance. So finally, lastly, and always, co-operation is what we require to accomplish what is needed for our common good. We must rid ourselves of the selfishness which in the past has really brought on most of the ills from which we have suffered.

There can be no doubt as to the attitude of William A. Day, president of the Equitable of New York. Mr. Day's remarks upon the subject involved are remarkably clear and logical. To quote:

Those who are charged with the responsibility of conducting the affairs of individual companies must decide upon the measures to be taken to decrease and minimize waste. But in certain directions policyholders can do more than the companies themselves. And if the companies will unite in explaining to the public how this can be done, far more can be accomplished than if only here and there an individual company should undertake the work alone. Hence, I trust the representative companies of this country will unite in a campaign of education, whose object shall be to convince their policyholders that if life insurance is worth taking, it is worth keeping; that lapse means waste; that the premature surrender of a policy means sacrifice and that no life insurance contract fully performs its beneficent mission unless maintained in its integrity until final maturity. * * *

If, by energy, persistence, and honorable dealing, the insurance companies have been enabled to establish this public confidence, now that life insurance has grown to be such a tremendously important factor in our national life, why may we not hope, by an intelligent and persistent educational campaign, to develop a more active and stronger life insurance spirit among our policyholders and the public? * * *

If we can excite the policyholder's interest in the value of "conservation" and the evils of extravagance and waste, and keep his interest alive by a continuous educational campaign, why should we not be able to rouse him, and impress him sufficiently to minimize evils which he alone has the power

to correct? * * * So I bespeak on the part of the companies a united effort to the end that policyholders may have a wide and accurate knowledge of the means of conserving the protection they have provided for loved ones: an increased respect for that protection which will not permit it to be easily mortgaged or surrendered; a feeling of loyalty for one's company which will spur one to stand by it and for it in the ways herein indicated because the company and the cause deserve it; and last but not least, a fraternal spirit engendered by the broad and noble common motive which animates all policyholders in buying insurance and in maintaining it.

George E. Ide, president of the Home Life of New York, has declared that he would welcome any legislation which would make it impossible for the public to know every detail of the investment departments of life insurance companies. This is what Mr. Ide said:

Anything which will lead to such knowledge, anything which will place such information before the public in comprehensible form, will do more than any restrictive legislation to break up dangerous practices and to correct abuse. * * * If you can unite simple, plain and effective publicity with strict, personal accountability, you are doing all that can be done by legislation to enforce honest and careful conduct by the trustees.

When Arthur Hunter, actuary of the New York Life, addressed the Eighth Annual Meeting of The Association of Life Insurance Presidents, he asked the question, "Can insurance experience be applied to lengthen life?" Mr. Hunter answered his own question in the affirmative—but claimed that the great difficulty arose in getting such information before the public in a form which could be readily understood. This is one of the principal functions of the Education and Conservation Bureau of the National Association.

At a later session of this meeting, William H. Davis, general counsel of the Pacific Mutual, delivered an address on "In Re Prevention of Verdict Before Trial in Life Insurance Cases." Here, again, we find another strong indorsement of the movement. Mr. Davis said:

The only effective remedy is education. The only way that this result can ever be obtained, even approximately, is through educational influences. I don't want to be understood as advocating or as saying that insurance companies should take on themselves the onus of educating the world, that corporations are a blessing, even if disguised, but I do assert that it is the duty of insurance companies to institute systematic and persistent efforts to enlighten all with whom they come into business contact on all subjects pertaining to the insurance business.

Perhaps the most specific reference to the proposed educational measures of the National Association, will be found in the following excerpts from the remarks of L. Goldman, first vice-president and managing director of the North American Life Insurance Company of Toronto. Mr. Goldman was one of the speakers at the meeting to which we have just referred, and he said:

I want to thank you on behalf of Canada and her insurance interests for inviting me here, and also to say that I was very much interested in the gentlemen who were talking about educational propaganda among the young people. That is very important, but I think also that the insurance companies can do something in that direction themselves. The National Association of Life Underwriters, also the Association of the Life Underwriters of Canada, have brought the subject to the attention of the executive officers.

(Concluded on page 13)

INSURES THE STABILITY OF CREDITS

And Is a More Dependable Asset Than Bank Stock,
Declares Eminent Financier, of Life
Insurance

The following address was delivered by H. W. Parker, cashier of Merchants National Bank of St. Paul, before members of the Minnesota association on June 14. Mr. Parker acknowledges the life underwriter as his oratorical master but gets revenge.—Editor's Note.

I am rather at a loss to know why I should have been called to address you upon life insurance in any of its phases. What special knowledge have I, or what acquaintance with the subject, that I should be so distinguished at your hands? Those of you who have visited me from time to time (and, believe me, your name is legion) have taken good care to leave with me the impression that you know, and that you know you know all there is to know about life insurance and its advantages—advantages such as no man can justly dispute; that I was living in ignorance and dwelling in darkness, and if I heeded not your voice, and accepted not the gospel preached by you and did not become converted to your teachings and heeding your warnings multiply many times over the amount of my insurance, I would find in my latter days where the road narrows, that my rest would be a stone and my family, through my improvidence, reduced to impecuniosity.

Hence I regard it a rare privilege to meet with you—and so many of you, too, at one time—and be permitted to do the talking. It is the first time in my whole existence that I ever met an insurance man and was accorded the opportunity, and, believe me, I intend to make the most of it.

Agent Must Listen

As I am about to deliver what probably may be considered as brilliant, convincing and illuminating a peroration on business life insurance as ever slipped from anchorage in the harbor of human thought, I am going to ask one boon, one favor, one hope, one charity at your hands, and it is, that from this time forth and forever more I be immune from visitations of the life insurance solicitor, because when I meet the monster I meet my master, who haunts me at all hours and snaps his whip of warnings forever in my sight.

Insurance dates back to the earliest history of the world—to the time when wives and household gods were paid as premiums for protection, and Noah escaped the deluge by a blanket policy on the live stock. Eventually as ships were built and cargoes transported and buildings constructed, new forms of insurance followed in the wake of civilization, and after we developed to the point of having our property covered, we reached the climax when the first policy was written on the life of man, the noblest work of God.

Life insurance as applied to industrial or business uses is the especial form of insurance upon which I am asked to address you from the viewpoint of a banker. While I have no intention of discussing the evolution of life insurance or dwelling upon its various forms, I feel as though I should make some reference to domestic life insurance, because of its very inter-relationship to the subject under discussion.

Time was when women would not eat tomatoes, but regarded them for decorative purposes only and called them Love Apples. Time was, too, when they looked upon marriage simply from a standpoint of sentiment. Now they come to see that it has its practical side, particularly where children are concerned. And whereas they used to object to the husband taking life insurance, fearing that it prophesied his early demise, they encourage him to take life insurance and often make sacrifice of luxuries to help pay the premium for the protection of the children.

To my mind life insurance represents one of the highest types of investment yet evolved. It does not pay the highest returns, but there are other benefits to be expected from an

investment besides mere dividends or profits. This is not always had in mind when comparing insurance with other forms of investments. It is true that no life insurance company can give a man as much dividend returns on his investment as can be obtained from what might be called a straight investment. But there is no form of investment which so definitely assures a fixed and reliable return upon the possibly short and always uncertain period of investment which is dependable upon the problem of life and death. Some of the benefits of insurance which transcend mere profits are:

(a) A fixed and dependable protection in a fixed and assured sum for the family.

Absolute Security

(b) The absolute security of the principal. A life insurance policy is a more dependable asset even than bank stock. Moreover, life insurance companies now arrange to become trustees for an estate and guarantee to pay the principal to the beneficiaries in installments, either for a fixed period or during the life of the said beneficiaries. This makes it possible for a man to know in advance that this part of an estate which he may leave for his family cannot be lost for them, either by ill-advised counsel, however honest, or by fraud.

(c) Then there is the annuity feature of life insurance, whereby a man can provide for his old age, and this quite beyond the possibility of any other form of investment.

Many men seem to think that if they spend all or nearly all of their income upon their family in giving them comfort, pleasure or luxury, they have given the highest expression of their affection. But, in view of the facts, it seems quite unfair for a man to accustom his family to a mode of living involving, say, \$500 a month, and then leave them so ill-provided for by failure to take life insurance that they are reduced perhaps to a \$50 a month basis of living, should he be taken from them by death. Many men are coming to see this, and are capitalizing their earning capacity by investing in life insurance, so that the income of their family at death will at least approximate its income, less the father's expenses, during his lifetime.

Again, in my judgment, a man who carries life insurance, no matter how great or how little it may be, is of larger value to the community in which he lives than the one who does not. He not only shows a disposition and demonstrates his ability to save, for such he does when he pays insurance premiums, but he is investing such funds for the future benefit of those he leaves behind, thus saving them oftentimes from becoming a charge upon others.

I have made a few brief references to domestic life insurance because I believe them to be relevant to the subject under discussion.

The New Form

Business Life Insurance is rather a comparatively new phase of the life insurance business, and one which is rapidly growing in favor, and so it should. Whatever makes for the protection and safety of credits, promotes stability and establishment—which is the very rock bottom foundation of our business existence. Insurance of all character, such, for instance as life, fire, marine, hail, cyclone, lightning, employees liability, etc., is of inestimable value. All honor and praise to the man who first devised insurance, and to those, too, who followed in his train and who from time to time enlarged its scope and advantages.

Bankers perhaps occupy an advantageous position in respect to viewpoint because they are in a position to observe the methods and processes in use by their customers and the results of the various lines of endeavor, as the arteries and streams of trade pass through banking channels. In this way experience is acquired and faculties of discernment developed so that certain traits or characteristics come to have a certain value to the well trained banker in what might be termed standardized deductions in the handling of his credits. Lines are more closely drawn and as a point of weakness appears, a way of meeting that weakness is devised, and so has come

(Continued on page 13)

GERMANY 50 YEARS AGO DISCOVERED
THE DIRECT CAUSES OF PAUPERISM
And As Result of Her Investigations Appropriates
\$12,000,000 Annually in an Effort to
Remedy This Menace

Probably no other nation has made such an exhaustive study of the causes of destitution and pauperism as Germany. And it is doubtless due directly to the findings of the Prussian Poor Relief Society that this nation contributes more than \$12,000,000 every year toward insuring her industrial population.

Germany has found it more profitable to contribute this huge sum towards purchasing life insurance for her industrial population than to contribute a like sum for the maintenance of institutions in which to house her pauper population.

The following statistics have been compiled by the Prussian Poor Relief Society for the purpose of determining the actual causes of pauperism, as nearly as possible:

CAUSES OF DESTITUTION

	No. of Persons.	Per cent. of all Cases.
ACCIDENTAL		
Fault of dependent.....	11,648	2.2
Fault of bread-winner.....	461	.09
Death of bread-winner.....	2,547	.5
NON-ACCIDENTAL		
Death of bread-winner.....	86,021	16.3
Sickness	150,479	28.5
Infirmity, or physical defects.....	84,815	16.
NATURAL		
Infirmity of age.....	126,685	24.
Large number of children.....	11,396	2.1
Lack of employment.....	14,580	2.8
Intemperance	6,940	1.3
Indolence	2,944	.6
Other causes.....	29,713	5.6
Undetermined causes.....	28	.01
Total.....	528,257	100.

From the foregoing statistics it is simple enough to determine the relation of life insurance, or the lack of it, to poverty, dependency and delinquency. Germany has found it to be the only antidote for pauperism and therefore encourages her population to carry as much insurance as possible.

We find that death of the bread winner, sickness, infirmity or physical defects, and infirmity of age are responsible for 93 per cent of the 528,257 cases of destitution investigated by the society. And each of these causes can be annihilated by the application of a sufficient amount of life insurance. It is no wonder then that the far-sighted officials of the German government contribute the \$12,000,000 annually with which to fight pauperism and thereby improve the citizenship of their State.

While there has been no such extensive attempt to get to the very roots of pauperism in the United States several municipalities have conducted similar investigations on a much smaller scale. And in each case, however, the percentages compare favorably with those contributed by the Prussian Poor Relief Society with the exception of intemperance which averages considerably higher in this country.

Statements to the effect that a goodly portion of our pauperism is due to large families are erroneous. The percentage of destitution from this cause in the United States is less than three per cent.

It is not unreasonable to state that more than 85 per cent of the 10,000,000 paupers in the United States can be made independent by the application of a sufficient amount of life insurance. Yet, whenever our POLITICAL SPOILSMEN are shy of funds they do not hesitate to increase the taxation on life insurance premiums. This burden naturally falls on the policy-holders and is a direct discouragement of thrift.

Even Great Britain has come to the fullest realization of the value of life insurance as an agency with which to combat destitution. Sixty-two years ago, by an Act of Parliament, she exempted all monies paid for life insurance up to one-sixth of a person's entire income, from her income tax which is her principal source of revenue. Ever since the enactment of this measure statistics show that the decrease in pauperism in that country has been in keeping with the increase of life insurance written.

INSURES THE STABILITY OF CREDITS

(Continued from page 12)

business life insurance, which is most welcome to the banking fraternity.

If I were to state the basis of credit, it would be by the three C's, Character, Capacity and Capital, and in this order, for experience and observation have shown that success lies not in capital, but in the ability to administer capital. Anybody can start something, but it requires brains and energy to keep it going and produce results.

We find most of our business concerns built up by or around one man, for example, Rockefeller and his Standard Oil, Carnegie and his steel company, Armour, Swift and others. These men fortunately continued in active service until their business was sufficiently developed and other men trained and equipped to take their places. Every firm or corporation has a master head about which its activities revolve, and if life and health are vouchsafed to him the banker feels sure that the obligations of the concern will be cared for.

In the event of the removal by sudden death of the master mind, the man of skill, of judgment and experience, possessing perhaps technical knowledge of the business, serious consequences might result to this firm and its obligations. To meet this contingency, business life insurance has been devised, by which a policy of ample proportions is placed upon the life of the head member of the firm, payable in the event of his death to the firm. The result of this very wise provision is that if the guiding hand of the firm is suddenly removed, the firm will find itself in immediate possession of ample cash and quick assets to meet at least its most pressing obligations, and to continue without embarrassment until a new head is installed and the concern firmly established.

In protecting the estate of the firm, the family estate is augmented, and the insured has provided for his business associates, his family and his creditors, and in the latter class are frequently found the banks.

PROMINENT COMPANY OFFICIALS
HAVE VIRTUALLY ENDORSED THE
EDUCATION AND CONSERVATION PLAN

(Continued from page 11)

I fear they have not received very much encouragement from the powers that be on this side of the line, although they have received some little encouragement in Canada; I am speaking with respect to the advertising propaganda. The opinion is felt and has been expressed, and I agree with it, that there is an immense amount of money wasted by life insurance companies in the form of advertising that has been carried on for a number of years. A company will advertise its name, or one or two of its executive officers; also the enormous assets it has or a large surplus. That conveys nothing to the ordinary reader. It would not to me, if I was not an insurance man, and I think if the companies seriously consider the subject, and join together in an educational propaganda, to bring before the people in some form, as one or two companies have endeavored to do, the importance of this subject, I believe it would be of great assistance to our agents.

The above opinions have been culled somewhat at random from the proceedings of the various annual meetings of The Association of Life Insurance Presidents. As indicated in our introductory remarks, they are merely given to emphasize a concurrence of thought, which, to say the least, may be regarded as significant.



THE QUESTION OF POLICY LAPSES

Responsibility for this Waste, in Almost Every Case, Can Be Attributed to the Incompetency of Agent

Why do policies lapse? This is a question of great importance, and of vital interest to the business of life insurance.

It has been claimed that very few companies are able to give definite answers to the problem. Broadly speaking, the difficulty lies with incompetent agents. But who is responsible for the employment of incompetent agents?

For the purpose of securing data relative to the causes of the enormous and unnecessary lapse ratio, *The Western Underwriter* recently sent out letters to about seventy-five companies, requesting answers to a list of questions from which certain accurate conclusions have been drawn.

The story in *The Western Underwriter* runs in part as follows:

How many companies are making a careful and thorough analysis of the causes of lapse? To determine this and to try to arrive at some definite conclusions regarding the great waste of lapsed policies, which would be of permanent value, *The Western Underwriter* recently sent out a letter to some seventy-five companies asking for a classification of the causes of lapse. As anticipated, very few companies were able to furnish anything definite. Each company is supposed to have a home office expert whose business it is to see that lapsed policies are renewed wherever possible, but evidently very few of these have systematized their work to the extent that they know why the policies which they were not able to save were dropped.

Although considerable attention has been given to re-statements and prevention of lapse, it is clear from the returns received that by no means sufficient attention is being given in the average company to this important subject. Every lapsed policy, or nearly every one, is not only a loss to the company but likely to be a repudiation of and a discredit to life insurance itself. There is nothing more discouraging, and properly so, to the management of a company than to put forth strenuous efforts and spend money freely in the procurement of a large volume of new business, only to find that the company at the end of the year has but barely held its own and that poorly written or poorly cared for old business has gone off as fast as it could be replaced by new business.

The case is quite different with an old company with a large amount of business in force on which there is a natural and proper lapse from that of a young company writing a large amount of business, much of which is lost during the first two or three years.

It will usually be found, for one thing, that the higher commission the company pays the larger the lapse ratio. Low cost business sticks better than high cost business. Lapses are to be traced directly to the character of the agent. The agent who has to have the highest commissions in order to make a living is invariably a poor agent and he naturally writes a poor quality of business. It of course also follows that the highest commissioned companies are the poorest companies for policyholders both in

point of cost and service and this combination of poor agent and poor company is bound to result in a big lapse.

The suggestion in the letter sent out was that lapses should be classified about as follows:

Policies lapsed at end of first year.

Lapses due to policy loans.

Lapses due to "twisting" by agents of other companies.

Lapses due to taking of notes, either for whole or part of premium.

Lapses due to policy having been written for too large an amount.

Lapses due to agent not following up renewal, because of policyholder being too far away, as in case of farmers, etc.

The list of causes could be extended indefinitely. It would seem that the chief purpose in view in getting at the causes of lapses should be to bring them home to the agent, who in nearly all cases was the cause for the lapses in the first place.

The best exhibit received as to lapses was from one of the best managed medium sized companies. If all companies were to make these compilations and to send the results out to the agency force, it would no doubt have a great educational value. The exhibit given virtually covers \$4,000,000 of lapses on a total business of about \$80,000,000.

The company wrote \$15,000,000 of new business and yet it will be seen that over one-half the total lapse in the company for the year was due to non-payment of the second premium or part of the first year's. This great loss must be traced directly in most cases to the agent. It might be added that the showing for this company is exceptionally good.

More Than Half Second Year

The analysis is as follows:

Analyses of 1914 Lapses

	No.	Amt.
Policies lapsed for non-payment of second premium or part of first year.....	1,561	\$2,345,500
Policies lapsed for non-payment of third premium	222	303,500
Policies lapsed for non-payment of subsequent premiums.....	144	50,500
Policies lapsed for non-payment of note for second premium.....	282	530,250
Policies lapsed for non-payment of note on third premium (or P. L.).....	86	152,500
Policies lapsed for non-payment of note on subsequent premium.....	352	577,500
Total	2,648	\$3,959,750

Reasons for Lapsing Policies

	No.	Amt.
First premium not paid to agent.....	149	\$206,000
Address unknown	98	132,500
Twisted	20	34,500
Lost positions	55	49,000

Misrepresented or misunderstanding of policy	8	16,500
Hired to work for another company.....	8	20,000
Wives object to insurance.....	12	16,000
Intoxication or morally bad.....	18	35,500
Do not care for insurance.....	34	57,000
Bankrupt	7	21,500
Health	13	14,500
Change of occupation (dangerous occupation)	3	4,000

Financial reasons being the cause of the balance of lapses.

Even a mere superficial scrutiny of the above tabulation is sufficient to convince one that the difficulty is directly traceable to the agent. For instance, take the first group. Why was it that in 149 cases the first premiums were not paid to the agents. Such policies were not even one-half sold. If addresses were unknown in 98 cases, is it not an unfortunate commentary on the business ability of agents who fail to follow up policy-holders?

As for 20 cases of twisted policies, let us not lose sight of the fact that reputable agents are not twisters. Eight policies misrepresented or misunderstood, and who but the agents are responsible. Another class—"Wives object to insurance." Certainly, a great many wives object, but their objections are based on nothing more solid than the fact that they do not understand. It is the agent's duty to educate the wife, no less than it is incumbent upon him to convince the husband.

"Intoxication or morally bad." Could this condition be concealed from an agent who did not wilfully close his eyes to the facts? Where thirty-four lapses resulted because the insured did not care for insurance, is the most incriminating confession of all. A question here arises. Why, if the insured did not care for insurance, was the policy placed? And the answer is that in most cases a rebate was the inducement.

Four hundred and twenty-five cases are reported representing insurance to the amount of \$607,000. The following group of lapses are positively attributable to the incompetency of agents:

First premium not paid to agent.....	149
Address unknown	98
Twisted	20
Misrepresented or misunderstood.....	8
Wives object to insurance.....	12
Intoxication or morally bad.....	18
Do not care for insurance.....	34

339

This is to say that more than 75 per cent of the lapses mentioned above were the result of the work of unscrupulous and incompetent agents.

And still we talk and talk and talk about CONSERVATION.

UNALTERABLY OPPOSED TO PART-TIMERS

National Association Adopted Resolution Dealing With This Question at the Twentieth Annual Convention

The National Association is unalterably opposed to the one-case, part-time agent, to irresponsible pluggers, helpers, and all that nondescript horde of parasites who fatten upon the efforts of the legitimate agent.

While it may be that the solution of conditions with regard to this matter rests largely with the companies, the National body and its affiliated local associations do not propose to sit idle and fatuously and patiently await a long overdue reform in agency methods.

While the associations cannot force the immediate issue on the part-time questions, they can legitimately advocate an amelioration of conditions.

But we are told that such an attitude is not a proper function of the association. As naughty children, we have been gently but firmly admonished to mend our ways.

"Every once in a while," says *"The Life Insurance Independent,"* "it seems necessary to remind members of life

underwriters' association that they are banded together for the good of the business and not to promote their own selfish purposes. The trades union idea occasionally crops out and questions are attempted to be settled on which discussion is idle for the very good reason that the companies alone can govern the situation."

The part-time man problem is an old one and as far from solution as ever before. While the necessity for the part-time man in the rural districts is beyond question, his position in the larger cities is considered by many members of underwriters' associations as a menace to their interests. Possibly, but how about the companies and the insuring public? Will the companies readily waive the right to select any agent who seems fit? Can an agent be denied the right to a helper? Such things will not stand for progress and those members of underwriters' associations who persist in bringing up such questions should be reminded there are so many avenues of usefulness open for underwriters' associations that it is unwise to start idle discussion on subjects which are beyond their control. The twister, the rebater, the slanderer, the liar, the unscrupulous agent wherever he exists, by suppressing such evils the general interest of all are conserved and the high ethics of business co-operation better understood.

Since the foregoing was written, Ex-Superintendent of Insurance Hotchkiss of New York, addressing the members of the New York Underwriters' Association sounded a warning note in urging members to use their influence only with matters connected with the general good of the business, rather than those affecting the personal interests only of the members. This warning was probably needed in view of the somewhat excessive interest taken in the recent legislation proposed in New York State and which was productive of more harm than good. Mr. Hotchkiss being a keen and trained observer of insurance affairs, his address may be fairly construed as an indication of how officials of companies are likely to look at misdirected energy of this sort.

The attitude of the National Association with regard to the part-time questions began to crystallize at the Twelfth Annual Convention in 1901, where a resolution was passed condemning the indiscriminate appointment of solicitors, and recommending that the companies and general agents employ only men of good character and intelligence. From 1901 to 1909, the National Association was doing much constructive work. In the latter year the Twentieth Annual Convention was held at Louisville, and it was at this gathering that a resolution was passed which should forever settle the question as to what the National Association stands for with regard to the part-time agent or one-case broker.

This resolution is as follows:

Resolved, That the National Association of Life Underwriters, realizing the responsibility of the field representative, and the necessity for safeguarding the interests of both the public and our profession, hereby emphatically records its belief that life underwriting should be limited to those men only who are regularly and permanently under contract and who are recognized as bonafide agents in their respective communities.

We particularly recommend to each constituent association that they take action whereby there shall be eliminated from agency relations that class of part-time agents and one-case brokers who neither educate a prospect nor create an applicant, who are not agents in any true sense, and whose only relation to the business has been to undo or take advantage of the work of some regular agent.

And further, that local associations should adopt such measures as will limit the issuing of licenses to bonafide agents only, and to prevent the payment of commissions or any compensation whatever in connection with the procurement of an application, or the payment of a premium for life insurance to any other than a regularly licensed agent under written contract.

But, it's all wrong. Ignatz! It's all wrong!

THE SAN FRANCISCO CONVENTION CLUB

Following is a list of members of local associations, and relatives of such members, who will assemble at Chicago on the morning of August 5, where the Convention Special will be taken for San Francisco. Underwriters throughout the country who expect to join this party are requested to send in their names and the names of relatives or friends who will accompany them. The list will appear each month, and will be augmented as additional names are sent in.

Mr. A. L. Abt, Akron, Ohio.
 Mrs. A. L. Abt, Akron, Ohio.
 Mr. P. L. Bowen, Cleveland, Ohio.
 Mr. David C. Bowen, Cleveland, Ohio.
 Mr. J. W. Bishop, Chattanooga, Tenn.
 Mr. Frank D. Buser, Philadelphia, Pa.
 Mrs. Frank D. Buser, Philadelphia, Pa.
 Mr. F. C. Butts, Minneapolis, Minn.
 Mr. Augustus Byers, Columbia, S. C.
 Mrs. Augustus Byers, Columbia, S. C.
 Mr. George W. Cannon, Davenport, Iowa.
 Mrs. George W. Cannon, Davenport, Iowa.
 Mr. W. G. Carroll, Philadelphia, Pa.
 Mrs. W. G. Carroll, Philadelphia, Pa.
 Miss Carroll, Philadelphia, Pa.
 Mr. Fred N. Cheney, St. Louis, Mo.
 Mr. Ernest J. Clark, Baltimore, Md.
 Mrs. Ernest J. Clark, Baltimore, Md.
 Mr. Richard E. Cochran, New York City.
 Mrs. Richard E. Cochran, New York City.
 Miss Isabel Conlin, Boston, Mass.
 Miss Marcella Conlin, Boston, Mass.
 Mr. James M. Dickey, Erie, Pa.
 Mrs. James M. Dickey, Erie, Pa.
 Mr. Charles Jerome Edwards, Brooklyn, N. Y.
 Mr. Everett M. Ensign, New York City.
 Mrs. Everett M. Ensign, New York City.
 Mr. E. E. Flickinger, Indianapolis, Ind.
 Mr. Wm. M. Furey, Pittsburgh, Pa.
 Mrs. Wm. M. Furey, Pittsburgh, Pa.
 Mr. A. S. Glover, Chattanooga, Tenn.
 Mrs. A. S. Glover, Chattanooga, Tenn.
 Dr. C. B. Graham, Charleston, W. Va.
 Mrs. C. B. Graham, Charleston, W. Va.
 Miss Eunice Graham, Charleston, W. Va.
 Mr. Warren M. Horner, Minneapolis, Minn.
 Mrs. Warren M. Horner, Minneapolis, Minn.
 Miss Helen Horner, Minneapolis, Minn.
 Mr. J. J. Jackson, Cleveland, Ohio.
 Mrs. J. J. Jackson, Cleveland, Ohio.
 Mr. J. Henry Johnson, Oklahoma City, Okla.
 Mrs. J. Henry Johnson, Oklahoma City, Okla.

Mr. William Klusmeier, Cincinnati, Ohio.
 Mrs. William Klusmeier, Cincinnati, Ohio.
 Mr. H. M. Kimberland, Wheeling, W. Va.
 Mrs. H. M. Kimberland, Wheeling, W. Va.
 Mr. Kendall, Wheeling, W. Va.
 Mr. G. Russell Leonard, Chicago, Ill.
 Mr. H. R. Lewis, Rochester, N. Y.
 Mrs. H. R. Lewis, Rochester, N. Y.
 Mr. Millard W. Mack, Cincinnati, Ohio.
 Mrs. Millard W. Mack, Cincinnati, Ohio.
 Mr. M. W. Mack, Jr., Cincinnati, Ohio.
 Mr. A. J. Meiklejohn, Ottawa, Can.
 Mr. D. R. Midyette, Richmond, Va.
 Mrs. D. R. Midyette, Richmond, Va.
 Mr. F. Moore, Boston, Mass.
 Mrs. F. Moore, Boston, Mass.
 Miss Lucy M. Morrill, Boston, Mass.
 Mr. J. P. Mulhall, Utica, N. Y.
 Mrs. J. P. Mulhall, Utica, N. Y.
 Mr. George H. Olmstead, Cleveland, Ohio.
 Mrs. George H. Olmstead, Cleveland, Ohio.
 Mr. I. Pinkus, Indianapolis, Ind.
 Mrs. I. Pinkus, Indianapolis, Ind.
 Miss Elise Pinkus, Indianapolis, Ind.
 Mr. Henry J. Powell, Louisville, Ky.
 Miss Mary Gunn Powell, Louisville, Ky.
 Mr. Lawrence C. Priddy, New York City.
 Mr. Wm. H. Riley, Erie, Pa.
 Mrs. Wm. H. Riley, Erie, Pa.
 Mr. O. J. Rizor, Wheeling, W. Va.
 Mrs. O. J. Rizor, Wheeling, W. Va.
 Mr. Lee C. Robens, Hartford, Conn.
 Mrs. Lee C. Robens, Hartford, Conn.
 Miss Annie A. Russell, Fairmont, W. Va.
 Mr. Charles W. Scovel, Pittsburgh, Pa.
 Mrs. Charles W. Scovel, Pittsburgh, Pa.
 Mrs. Florence E. Shaal, Boston, Mass.
 Mr. Neil D. Sills, Richmond, Va.
 Mrs. Neil D. Sills, Richmond, Va.
 Mr. H. Wibirt Spence, Detroit, Mich.
 Mrs. H. Wibirt Spence, Detroit, Mich.
 Mr. J. Putnam Stevens, Portland, Me.
 Mr. Thomas B. Sweeney, Wheeling, W. Va.
 Mr. T. G. Tabb, Richmond, Va.
 Mr. H. S. Vail, Chicago, Ill.
 Mrs. H. S. Vail, Chicago, Ill.
 Mr. J. K. Voshell, Baltimore, Md.
 Mrs. J. K. Voshell, Baltimore, Md.
 Mr. Hugh M. Willet, Atlanta, Ga.
 Mrs. Hugh M. Willet, Atlanta, Ga.
 Mr. Wilson Williams, New Orleans, La.
 Mrs. Wilson Williams, New Orleans, La.
 Mr. Edward A. Woods, Pittsburgh, Pa.
 Mrs. Edward A. Woods, Pittsburgh, Pa.
 Miss Marjorie Woods, Pittsburgh, Pa.
 Mr. Edward Wallis Woods, Pittsburgh, Pa.

"LIFE INSURANCE"

A TEXT-BOOK

By Dr. S. S. Huebner

Wharton School of Finance and Commerce, University of Pennsylvania

This book is intended for high schools, colleges, in fact all institutions of learning, agency instruction and for the lay reader. It is non-partisan in character, comprehensive in scope, and conspicuous by its intelligent and logical arrangement.

Life Insurance, Its Principles and Practice

- Part I Nature and Uses of Life Insurance.
- Part II Science of Life Insurance.
- Part III Special Forms of Life Insurance.
- Part IV Organization, Management and Supervision of Legal Reserve Companies.
- Part V Important Legal Phases of Life Insurance.

OFF THE PRESS DURING THE FIRST WEEK IN AUGUST, 1915

Advance subscriptions are being received now at \$2.00 a copy. Fill out the following coupon and mail at once:



This emblem identifies members of the National Association of Life Underwriters who are pledged to the highest standards of Life Insurance practice.

Everett M. Ensign, Acting Secretary, Education and Conservation Bureau, National Association of Life Underwriters, 56 Pine Street, New York City.

Enclosed please find my check for \$.....in payment forcop..... of the new text-book "LIFE

INSURANCE," by Dr. S. S. Huebner. Name.....

StreetCity.....State.....

ANNOUNCEMENT

Five-Minute Talks At San Francisco Convention

The success or the failure of the "Open Forum" of our National Conventions which has to deal with the 5-Minute Topics, lies entirely in the hands of the delegates.

For the past two years I have presided over these discussions at the conventions held at Atlantic City and Cincinnati, and I am to preside again at San Francisco. At Cincinnati the delegates rallied nobly to my call for help. This year I am taking a different system; I am appealing to you through the pages of the News and also through a special letter to all Presidents and all Secretaries of all local associations.

May I not ask as a special favor that each delegate to and each attendant on the National Convention to be held August 10, 11 and 12 at San Francisco, go prepared to help along this great work covered by these 5-minute talks. I appeal to every man who expects to be at the San Francisco Convention to be prepared to get on his feet and say something on the subjects which have been assigned for these talks.

We had nineteen such talks in one hour at Cincinnati and I know that everyone of the 600 present who heard these talks felt a peculiar uplift from them. Each one of us gets out of this business in proportion to what we put into it. This is true in our soliciting and also true in our convention going.

Let me urge you not to make a junket of the three days, August 10, 11 and 12, but that you make it your business to be in attendance at every session of the Convention and after the Convention do your sight-seeing and junketing.

The subjects are as follows:

Tuesday Afternoon, Aug. 10—Subject, "System Used in Canvassing."

- (a) Getting Prospects.
- (b) Cultivating Prospects.
- (c) Closing Prospects.
- (d) Getting Settlements.

Wednesday Afternoon, Aug. 11—Subject, "Agency Building."

- (a) Getting Agents.
- (b) Training Agents.

Yours for Co-operation, Enthusiasm and Success,

H. H. WARD,
Chairman Topics Committee.

What the Local Associations Are Doing

Life Association News has no paid correspondents. We depend entirely upon the secretaries of local associations to send us stories of all meetings of their respective associations. If an account of the last meeting of *your* association does not appear in this department, ask the secretary of your organization why he did not send us the particulars.

Immediately after each meeting, on the same day if possible, secretaries of local bodies should send us a full account of the business transacted, *including copies of all speeches*, or extracts from the most important of them.

BUFFALO

Members of the Buffalo association held their regular meeting at Hotel Iroquois on June 18. Delegates to the National Convention were appointed and the disposition of the official proceedings of the Cincinnati Convention was discussed. A motion was made and seconded that the secretary be instructed to forward a check to the National Association in payment for same, and that the books are to be disposed of by members.

C. G. Monser, who spoke on "Organization," was the principal guest at the gathering. His discourse upon modern methods of soliciting life insurance was inspiring to all.

In the absence of F. N. Tracy, who had been called away suddenly, the address which he was to have delivered on "The Evidence of Returned Prosperity," was read by E. G. Horgan. Vice-President Adams, who officiated in the absence of the president, read a telegram sent by President Lapey of the association to George I. Wilson, vice-president of the Equitable, in honor of his fortieth anniversary in the service of that institution. D. W. Cherrier, vice-president of the local association, thanked the members for the interest and loyalty they had shown in his behalf during his recent illness.

CHATTANOOGA

Twenty life underwriters attended the July meeting of the Chattanooga association, which was held at Hotel Patten on the 2d inst. Short speeches were made by H. C. Crimm, Paul W. Shepherd, T. C. Thompson and Ed E. Brown.

CENTRAL PENNSYLVANIA

Through the activity of the Central Pennsylvania association, Harrisburg, two local life underwriters were found guilty of twisting and their licenses promptly revoked by the Insurance Commissioner.

In May the association brought charges against Frederick Bryan and Carl S. Smeigh of violation of the Act of 1913 which makes twisting a misdemeanor. At the insistence of the association an affidavit was made by Harry L. Derr, a painter residing in Harrisburg, in which he alleges that he was urged to discontinue his policy, a fifteen year endowment, and substitute therefore a ten year endowment policy in another company.

The affidavit specifically charged that Derr was led to believe the latter policy was participating and that it would yield better returns.

At the hearing before the Commissioner the attorney for the association charged that under the Act of 1913 the defendants were guilty on three specific counts; first, an estimate of dividends with intent to deceive; second, misrepresentation of the terms of a policy; third, incomplete comparisons of the terms of a policy about to be issued and made to

A REAL LIFE WORK!

Dear Bill:

The other day you were asking me what I thought about the Life Insurance business as a profession for a young man.

Well, just about that time I ran across a booklet entitled—"Your Life Work." Before then, the business had not appealed to me. Really, after reading of the helpful educational and sales work that is offered in this book I am seriously thinking of going into the business myself.

Send for the book, Bill. It's great.

Yours, Jack.

P. S. It's a Company with over sixty years' experience and purely mutual.

The Phoenix Mutual Life Insurance Company OF HARTFORD, CONN.

JOHN M. HOLCOMBE, President

a man who holds a policy in another company. These charges were substantiated by the evidence at the hearing before Insurance Commissioner Johnson, and after due consideration the licenses of the defendants were promptly cancelled.

The Central Pennsylvania association was formed in 1912, and while it has not yet attained the size of many other local associations, it has been very active in its efforts to break up incorrect methods in the business. This case is the second on record in the State since the Act of 1913 was passed. The association proposes to continue its vigilance and it hopes that all insurance representatives within its jurisdiction who have been guilty from time to time of practises which are in violation of the law of the State will profit by the example of this recent action and make unnecessary in their cases similar steps on the part of the association.

CHICAGO

After three months of spirited discussion, which evinced the fact that members of the Chicago association differed somewhat on the "part-time" question, a resolution was finally adopted at a special meeting held at Hotel La Salle on June 22. It reads as follows:

Resolved: That it is the sentiment of this association that no one shall be appointed as an agent by any company, manager or agent to solicit business in Chicago who does not intend within a reasonable time to become a full-time solicitor.

The opposition forces were led by J. W. Janney and E. D. Redington, both representing the Provident Life & Trust at Chicago. Mr. Janney was of the opinion that the resolution did not express the views of some of the leading members. He offered a substitute motion to the effect that the part-time man should be given a reasonable length of time to become a full-timer. The motion was tabled by a vote of 44 to 11. Later the original motion was taken up and passed by a vote of 48 to 11.

President McLeran announced after the vote had been

taken that in the fall the association would take up other evils of the business. He said that the organization had first gone on record against rebating. Now it has expressed itself against the part-time man, and in the fall he would begin a campaign against the "twister."

He advocated that a resolution should be sent to the Association of Life Insurance Presidents, to the effect that every company have in its application blank a question as to whether the insurance applied for is to replace a present policy. If this be the case, it should also contain an inquiry as to why the applicant desires to replace his present policy. Then he believed that the company that is securing the application should immediately communicate with the company having the old insurance and give it an opportunity to save it if possible.

COLORADO

The Hon. E. R. Harper, Colorado's newly appointed Insurance Commissioner, was the principal guest at a luncheon held under the auspices of the Colorado association at the Electric Club in Denver on June 21.

President Reich officiated as toastmaster and introduced Commissioner Harper to members of the local insurance fraternity. The Commissioner is well known as an orator and amused the underwriters with many witty citations.

DAYTON

Ril T. Baker, general agent of the Union Central, was elected to the presidency of the Dayton association at the regular monthly meeting, held on June 14. This special election was necessitated owing to the fact that H. Y. Lyndall, former president, was suddenly transferred by the Travelers to Philadelphia.

Mr. Baker was formerly first vice-president and is very popular with the local underwriters. The nominating committee will present a candidate for the vice-presidency at the July meeting.

Charles Anderson, chairman of the publicity campaign, reported that the institutional advertising funds were coming in very rapidly and that the committee could doubtless begin the campaign shortly.

E. G. Burkhan, editor of the Dayton Daily Journal, delivered an impromptu speech, which was followed by a general discussion by those in attendance.

DETROIT

More than 300 life underwriters attended the annual outing of the Detroit association, which was held at Bois Blank Park on June 15. The large attendance was due to the fact that the Traveler's Club held a joint outing with the association.

A special business meeting was held in the upper cabin of the boat which carried the underwriters to the resort. The secretary reported that \$750 of the \$1,000 raised by the association for the Education and Conservation Campaign had been turned back for local use.

Immediately after the steamer Columbia arrived at the island, the committee started the various sporting events. The baseball game between Col. W. A. Waite's team and a team captained by W. D. Clizbe resulted in a tie. The tug of war between a team representing the association and one composed of members of the Traveler's Club was declared "no contest," because of irregularities. No one was accused of "twisting," however. The 50-yard dash was won by Mr. Clouer; the ladies' race by Mrs. T. C. Rice-Wray; the "rooster fight" by G. E. Sweeney; the hop-step-and-jump by C. D. Stocking; running broad jump by W. A. Batterson. Mrs. Rice-Wray scored a second victory by defeating all comers in the ball throwing contest for ladies.

A special committee was appointed to alter the official title of the local association. In the future it will be known as the Life Underwriters' Association of Detroit. The joint outing created just enough rivalry and enthusiasm to make things

very lively for the fans. It was undoubtedly one of the most interesting outings staged by the association.

FORT DODGE

The June meeting of the Fort Dodge association was held in the office of A. D. Wilder. Tentative plans for the annual outing were submitted, the date will be definitely announced later. A spirited discussion took place on "Resolved, that a technical knowledge of life insurance should be acquired by life insurance solicitors." Practically every member present took part in the argument, which resulted in many interesting ideas being brought to light.

GEM STATE

Life underwriters at Boise, Idaho, effected a permanent organization at the Commercial Club on June 14. The official title of the new body will be the Gem State Life Underwriters Association.

Several informal meetings have been held during the past two months, at which prominent insurance agents and officials have urged the local agents to organize. The matter of affiliation with the National Association will be discussed in the near future.

The officers elected were: W. B. Harmon, president; D. G. White, vice-president; A. Crooks, treasurer; C. F. Kutnewsky, secretary; E. J. Phelps, Thomas Vickery, R. C. Pennington, A. S. Boise and George W. Prout, executive committee.

IOWA

At a recent meeting of the Iowa association held in Des Moines, a resolution was unanimously adopted against agents making any effort to induce solicitors to quit one company for another. The association has gone on record as opposed to members making any overtures to sub-agents or encouraging them in any way to make a change.

It is not the intention of the association, however, to interfere in any way with the freedom of an agent who so-

SOLID GROWTH

In the face of war conditions, an increase of 8% in Assurances in Force during 1914 was accompanied by still more substantial increases of over 15% in Assets and over 13% in Surplus.

Assets at December 31st last totalled \$64,187,656; now they exceed \$72,000,000—much the largest amount held by any Canadian Life Company.

Sun Life of Canada Policies
Are SAFE Policies to Sell

H. W. DICKINSON, Manager, Philadelphia, Pa.
A. L. STEIN, Manager, Pittsburgh, Pa.
F. C. HOLBECK, Manager, Lansing, Mich.
E. E. WILKINSON, Manager, Port Huron, Mich.
E. W. OWEN, Manager, Detroit, Mich.
C. E. KREGLOE, Manager, Baltimore, Md.
N. D. SILLS, Manager, Richmond, Va.

SUN LIFE ASSURANCE
COMPANY OF CANADA
HEAD OFFICE—MONTREAL

licits a change. The association believes in an agent's right to negotiate for another contract if he feels that he can better his own interests. The resolution reads as follows:

Whereas, The Iowa Life Underwriters' Association must ever keep apace with the rising conditions, so as to act promptly for the best interests of all its members, and

Whereas, Conditions in the insurance field are steadily improving, due largely to the elimination of so-called rounders, and the entrance thereof of the present high type insurance salesman, and

Whereas, It is for the best interest of both agencies and agent that a long tenure of service with one company is desirable, and will further serve to attract the confidence of the public to them, thus establishing their connection with their policyholders and identification with their company; therefore,

Be it Resolved by the Iowa Life Underwriters Association, that hereafter all members refrain from making overtures to sub-agents of one another to make changes, or encourage them in any way to change from one company to another. However, it is not the intention to interfere in any way with the freedom of an agent from soliciting a change of his free will, or his legal right to negotiate contract as his best interest appears.

KALAMAZOO

About 20 members attended the regular monthly meeting of the Kalamazoo association, which was held at the Park American Hotel on June 18. E. N. Dingley, Dr. R. G. Cook and Donald Clark of Detroit, State representative of the Mutual Benefit Life, were introduced as the principal speakers. The program included several musical numbers by the Orpheus Quartette.

KANAWHA

Several prominent life underwriters at Charleston, West Virginia, met and formed the Kanawha association on July 3. D. E. Lloyd, local superintendent of the Prudential, was elected president of the new association, while John A. Payton of the Fidelity Mutual was selected for the vice-presidency. Among the other officers elected were G. E. McGlasson of the Mutual Life, secretary; C. Warden Pippen of the Massachusetts Mutual, treasurer; N. O. Bacon of the Prudential, chairman of the executive committee, and John Patrick of the Penn Mutual, national executive committee-man.

The executive committee is composed of the following members in addition to the chairman: G. E. McGlasson, H. M. Holderness of the George Washington Life, C. W. Pippen, J. C. Burchett of the Northwestern Mutual, John Patrick and D. E. Lloyd. The association will send a delegation to the National Convention.

LIMA

The annual meeting of the Lima association was held at the Elks' Club recently. A. D. Hildreth and Oscar N. Young, president and vice-president, respectively, were re-elected for the ensuing year. Wallace King was elected secretary-treasurer, succeeding Lee Faurot. W. T. Feely will represent the association at the National Convention.

LOUISVILLE

Members of the Louisville association are making preparations to launch the local institutional advertising campaign in October. The committee is now soliciting funds. F. I. Engler, representing Barron-Collyer, a New York advertising concern, delivered an address on "Advertising" at the regular meeting, which was held June 14.

MACON

No "Robertson Law" in Georgia has been the slogan of the Macon association during the last few months. An attempt to pass a similar measure was defeated through the efforts of Insurance Commissioner Wright and association members in that State.

At the last regular meeting, which was held at Hotel Lanier on June 18, Guy E. Paine of the Penn Mutual spoke on "The

ESTABLISHED
1867

Service That Satisfies

Service, the key-note of modern commercial life, has always been a fundamental link in the strong chain of Union Central Benefits.

U. C. L. SERVICE begins with the writing of the application, recommending the particular policy best fitted to the individual needs.

U. C. L. SERVICE includes the rejected risks,—the Medical Director in a personal letter advising the proper treatment to effect a possible cure of any existing impairments.


U. C. L. SERVICE conserves health; a perfectly equipped laboratory with corps of expert analysts at policy holders' service for the asking. Furthermore, every courtesy and accommodation, within the power of the Company, offered without discrimination.

U. C. L. SERVICE not terminated by death but extended to beneficiaries. Invaluable advice and assistance rendered for the protection and investment of policy proceeds.

A staff of trained officials, employees and agents—experts in their work—stand ready to serve at your command. For further information address, ALLAN WATERS, Supt. of Ag'ts.

**The
Union Central
Life Ins. Co.**
OF CINCINNATI
JESSE R. CLARK, Pres.

FORTY-NINTH
YEAR



State Insurance Laws and the Georgia Insurance Department," in which he lauded the splendid efforts of the Commissioner in defeating several measures which would have been disastrous to the local life underwriters had they become laws. On the other hand, Commissioner Wright was instrumental in the passage of several measures which are of vital importance to the life insurance interests.

MINNEAPOLIS

"The Tendency Toward State Insurance," had its innings at the last meeting of the Minneapolis association, which was held on June 26. J. E. Meyers of the Aetna opened the discussion on this topic. He was followed by Insurance Commissioner S. D. Works, who discussed the subject pro and con. Mr. Works said in part:

"I believe the state should use its police power to regulate corporations and large interests. I believe a bill should be introduced in the Minnesota legislature to supervise the su-

pervisors of the insurance companies to say what kind of a man should represent the company. It is one of the important duties of the state to see that its citizens are protected from unscrupulous and uneducated agents, but with this end accomplished I believe further control should cease. I do not believe it to be a function of the State to engage in the business of life insurance."

A list is being prepared naming the companies whose agents will be eligible to membership in the association to conform with the new by-laws.

MINNESOTA

Forbes Lindsay of Los Angeles, superintendent of the School of Insurance Salesmanship of the Pacific Mutual, and H. J. Parker, cashier of the Merchants National Bank of St. Paul, were the principal speakers at the regular meeting of the Minnesota association held on June 14.

John K. Robinson, vice-president of the local association, who presided, called special attention to the Edward A. Woods \$25 gold prize for the best and most novel selling argument to be stated in three minutes at the coming National Convention to be held at San Francisco.

Special reference was made to the bulletins which are being edited and published by the Education and Conservation Bureau of the National Association. A motion was made by George W. Harrison and seconded by L. F. Strouse, instructing M. J. Dillon, secretary of the association, to provide one copy of each bulletin for each member, to be paid for by the Minnesota association. The price is five cents per copy.

Mr. Parker spoke on "Business Insurance from the Banker's Viewpoint."

Mr. Lindsay was then introduced. He spoke in part as follows:

"The old makeshift methods of instruction for life insurance salesmen by general agents in times past and which resulted in anything but efficient agents are happily giving way to methodical and thorough instruction. General agents twenty years ago did not recognize the importance of this feature of the business and thought that if an agent was made possessor of a rate book and told to go after business that his work was done. The result was filling the ranks with incompetent agents who made a temporary job of the business and changed companies twice or more each year. Agents did not look upon the business as presenting means for a career.

"Personal efficiency is a necessary foundation to business efficiency. By this I mean no one can become efficient in their business unless he is so in his private affairs. It is something that cannot be assumed at times and taken off at other times like an office coat. Like charity, it begins at home, and the man who is habitually efficient in private affairs is on that account more efficient in his business than he would be otherwise, as his best facilities that make for general efficiency are kept constantly in practice.

"By private affairs I mean taking into account of the whole twenty-four hours of each day in an economical manner. It extends to even lacing ones shoes, shaving, reading the newspaper, etc., and even the sleeping hours. In all of these there is a best way of doing them. There is a best way arrived at by test to do all these little things in the quickest and most effective way. They should be done in the least time and in a way that gives the largest desired result. The efficient man will perform more work with less effort in a given time than will an inefficient person, because he employs the best methods and they are at once the easiest and most expeditious. His ways are well ordered. Efficiency is essentially a mental attitude and must be habitual. It can be accomplished only when the principles that regulate individual conduct are applied to his leisure hours no less than his business hours.

"The Pacific Mutual School of Insurance Salesmanship lays stress on personal efficiency as the most profitable and urges the practice of a time schedule with the idea to time consumption. Usually this has been considered necessary during business hours only, but leisure time is valuable and when one is awake to that fact it will be practiced. Some

time ago I made several tests regarding the number of hours consumed in sleep. I tried for a month different periods. I found six hours sleep not enough, eight hours to be enervating and seven hours right. I kept account of the time occupied in shaving and thought out a method whereby I saved a few moments each day. I was astounded when I figured out what this time saved amounted to in a year. By looking after several small matters in this manner, I found that I saved two months in a year. I considered what this meant. It meant that if I was placed in a position exactly like some one else to accomplish a given task that at the end of a year I would have been two months ahead of my competitor.

"By this I do not mean that we should be slaves to system, but system gives more time for work and leisure and we are free from slavery. Then we do not consider time as a grab bag, seeking to get an hour here or there and not knowing whether we may get it or not and we can find more time for doing things. Let me say again that it is utterly impossible to obtain 100 per cent efficiency or anything like it until and after one has become personally efficient. No one can be sloppy in private affairs and alert during business hours.

"If a man's viewpoint regarding business is right he will recognize its demand for utmost efficiency on his part. He can achieve efficiency only by cultivation and development of personal character and qualities.

"Your business is big enough and important enough to justify you in using every possible means to increase your fitness for it. Such means are much more than technical knowledge and skill. They embrace everything that will make you better and stronger men."

NASHVILLE

Members of the Nashville association paid a special compliment to their officers by reelecting the entire staff for the ensuing year. H. B. Alexander will retain the presidency, while C. C. Dabney, secretary, and R. A. Webster, treasurer, will continue for another term. C. C. Dabney was chosen to represent the association on the National Executive Committee.

NEW ENGLAND WOMEN'S

An unusually large number of members and several prominent lay guests were present at the regular meeting of the New England Women's association, which was held in Boston on July 2.

Mrs. Florence A. Shaal, president of the association, made a special appeal for a large delegation to represent the association at the coming National Convention.

Melvin Young, principal of the New York Insurance School, was introduced as the principal speaker. He selected for his subject, "The Art of Writing Life Insurance." Mr. Young laid special stress on the psychology of salesmanship impressing upon his listeners the necessity of making the proposition clear to his prospect, not permitting adverse suggestions to be made. Above all, he advised, be ready to take immediate advantage of implied consent which results in most cases being written, expressed consent seldom being given on the first interview.

Those present extended a vote of thanks to the speaker at the close of the meeting.

NEW MEXICO

At the regular meeting of the New Mexico association held in Albuquerque on June 16, delegates and alternates were named to represent the local association at the National Convention. It is predicted that the locals will send a full delegation.

NEW YORK

There were many interesting features at the annual outing of the New York association which was held at the Marine and Field Club, Brooklyn, on June 30. The affair was attended by more than 100 members of the association and their friends.

The annual baseball game between Charles F. Donnelly's Massachusetts Mutuals and a team composed mostly of Prov

ident Life & Trust men, captained by J. S. Tunmore, was the afternoon's attraction. It resulted in a 12 to 8 victory for Tunmore's aggregation. The official scorer credited each team with 36 errors, according to a contemporary editor. Nevertheless, there were the usual thrills which generally accompany our national pastime.

The dinner, which began at 7 o'clock, was served on the veranda of the club house. Several prominent members who were unable to attend the afternoon games made their appearance in time for the banquet.

The outing was especially arranged to celebrate the termination of the enthusiastic membership contest which has been carried on by various general agents, but so successful was the campaign that Lawrence Priddy, president of the association, refused to let it terminate. The captains of the various teams agreed to continue until July 15.

William F. Atkinson, chairman of the membership committee, announced that the campaign had brought 174 new members into the ranks of the New York association. This announcement was greeted with an enthusiastic demonstration.

Charles Jerome Edwards, who captained the winning team, secured 38 new members during the contest period and was awarded a special mint julep as first prize. Lawrence Priddy,

who came in for second honors, reported 32 new applications. President Priddy, being a staunch supporter of the "drys," was presented with a prize in keeping with his habits—a glass of pure jersey milk. R. W. Goslin of the Prudential came in for third honors with 24 applications. Goslin, according to his own words, escaped the infant's diet.

A resolution was adopted recommending that the delegates who attend the coming National Convention elect Lawrence Priddy as the New York representative on the National Executive Committee. In seconding this motion, Mr. Edwards paid high tribute to Mr. Priddy. He emphasized the fact that it is mainly due to the energy of the association's "live-wire" executive that it is again coming into its own.

William C. Johnson, vice-president of the Columbian National at Boston and a former president of the local association, was called upon by the toastmaster for a few remarks.

Following the banquet the underwriters adjourned to the ball room, where the vocally gifted contributed their share toward the entertainment.

NORTH DAKOTA

The third annual meeting of the North Dakota association was held at Fargo on June 9. It was attended by more

The Equitable Makes Experts of Its Agents

Nowadays the successful life insurance salesman must be a thoroughly trained expert, and the success and prosperity of the agents representing

The Equitable Life Assurance Society of the United States

has been largely due to the fact that the company recognizes the importance of educating its field workers.

The salesmen connected with every Equitable agency are carefully trained and assisted. Among other things

A Correspondence Course in Life Insurance

is conducted by one of the senior executive officers, for their thorough instruction.

This course consists of 3 preliminary lessons (which may be taken by outsiders) and 27 Regular Lessons (exclusively for representatives of the Society).

One unique feature is that after the student has answered the questions asked in connection with each lesson, the officer in charge of the course sends him *official answers* to the same questions. This enables the student to check himself off by comparing the answers made by him with the official answers subsequently received from the Society.

Satisfied Policyholders

The constant line of applicants
for **ADDITIONAL** insurance in the

JOHN HANCOCK

shows that its members have
GOOD JUDGMENT

**TIE UP WITH THE COMPANY MAKING
SATISFIED AGENTS**



WILLIAM N. COMPTON

General Agent

Metropolitan District

**ST. PAUL BLDG. 220 BROADWAY
NEW YORK, N. Y.**

than fifty prominent life underwriters and guests from various parts of the State.

The banquet was preceded by a business meeting, at which the following officers were elected for the ensuing year:

Frank Thomas of the Phoenix Mutual, president; J. J. Feckler of the Pioneer Life, vice-president; W. P. Satory of the Pacific Mutual, second vice-president; M. N. Hatcher of the Great West Life, secretary, and Frank Treat of the Germania Life, treasurer. The next annual meeting will be held either at Grand Forks or Fargo.

In an introductory address Judge C. A. Pollock reiterated some interesting experiences with life underwriters more than thirty years ago.

The principal speaker of the evening was J. A. O. Preus, State Auditor of Minnesota and formerly Insurance Commissioner of that State.

In his discourse Mr. Preus stated that life insurance should be measured to a person's condition just as a suit is measured to fit his body. He added that it should also be measured to every person's need.

Much time was devoted to discussing "The Institutional Advertising Propaganda." The association is heartily in favor of the plan and will doubtless take final action on the matter at the next regular meeting. The association has made marked progress during the administration of the retiring officials and a vote of thanks was tendered them.

NORTH TEXAS

The North Texas association held its regular meeting at the Oriental Hotel, Dallas, on June 12. The business meeting was preceded by a luncheon.

The membership of the association was said to be about 125, but A. L. Davis, secretary, reported that 59 of the members had been transferred to other associations in the State.

In the absence of the president, B. F. Myers of Fort Worth, vice-president of the association, called the meeting to order. In order to fill up the large gap in the ranks of the association caused by the transfer of members, it was proposed that a campaign for new members be instituted. The various methods used by other local associations will be investigated, and some definite plan will be adopted at the next regular meeting. Delegates were appointed to the National Convention.

PUGET SOUND

The conservation of health in Seattle was discussed at length at the June meeting of the Puget Sound association, at which there were more than 70 members present. The discussion on this topic brought about a resolution, which was unanimously adopted by the association, urging the passage by the City Council of a milk ordinance which will require the tuberculin test for all dairy herds. The banquet was held in the Elks Club.

Another interesting feature was the debate on the merits of the monthly income form of insurance as compared with the lump-sum settlement. Emmett C. Brown and E. S. Martin

argued for the former, while W. S. Pond presented some convincing arguments for the latter.

RICHMOND

Members of the Richmond association heartily endorsed Commissioner Button's new application blanks for agent certificates at the regular meeting, which was held on June 1. There was a consensus of opinion among those present that the new requirements will do much toward weeding out the undesirables and will raise the standard of life underwriters in the State as well. Delegates were named to the National Convention, and regular meetings were discontinued until October.

ROANOKE

A resolution was adopted at the regular meeting of the Roanoke association held on June 8 proposing co-operation with the State Insurance Commissioner in an effort to stamp out "twisting" and "rebating," which have been much in evidence of late in the vicinity of Roanoke. It was also decided that the association should launch a membership campaign in the near future.

ROCHESTER

The annual outing of the Rochester association was held at the Newport House on June 25. There were 40 members and guests in attendance. The entertainment committee arranged an interesting schedule of sporting events which were held during the afternoon. The banquet in the evening was followed by a business session.

LARGE CITY OPENING

We will make a contract with the right man which will insure future financial independence.

The requirements are integrity, ability, enthusiasm and industry.

We want a man who mingles with the representative business and professional men of his community and secures his full share of their patronage.

Address

**The Equitable Life Insurance Company
of Iowa**

Home Office: Des Moines, Iowa.



Organized 1868

Assets

\$32,604,612

Surplus
and

Capital

\$3,989,846

The School for Salesmen

of the

Pacific Mutual Life Insurance Company

offers, free of cost, instruction and direction to prospective and new agents and gives them the right start in an attractive and remunerative business with an experienced and successful company.

For full information write the company at Los Angeles, California.

Good connections can always be made with our General Agents throughout the country.

SACRAMENTO

The Hon. Willard Doane and the Rev. W. E. Harrison were elected honorary members of the Sacramento association at the last regular meeting, which was held on June 30. Rev. Harrison is rector at the local Westminster Presbyterian Church and has been chaplain of the association ever since it was organized.

The association, which was organized last December with a charter membership of 12, now has a membership of more than 60. The executive committee is making final preparations to send a large delegation to the National Convention.

ST. LOUIS

Institutional advertising and the 1916 Convention were the paramount issues at the June meeting of the St. Louis association. W. E. Bilheimer, president of the association, spoke on the question of inviting the National Association to come to the Mound City next year. He said that every effort would be made to get the meeting.

It is believed that the local delegation at San Francisco will be a record breaker. The St. Louis commander, it has been learned, is going to bring along the "reserves." Up to date no other city has made any special effort to get the next meeting, and unless some "dark horse" invades the convention at the last minute, Commander Bilheimer and his forces will doubtless "bring home the bacon."

John D. Sage, third vice-president and secretary of the Union Central, was the principal speaker at the meeting. He spoke on "Life Insurance Advertising, and Why We Should Advertise." Mr. Sage made special reference to the work which is being done by the National Association through the Education and Conservation Bureau.

"Men's thoughts are like waves," he said. "One strikes and makes no impression, but a series of waves coming continuously will accomplish much."

Twenty new applications for membership were received. Although the campaign has been concluded, they continue to roll them in.

SIOUX CITY

Association work in Iowa is making rapid strides, due directly to several energetic members of the Iowa association, which has its headquarters at Des Moines.

Recently the "organizing squad" from Des Moines, consisting of J. A. Blum, representing the Equitable of New York; C. L. Lunt, of the Central Life of Des Moines, and M. M. Demming, of the Kansas City Life, journeyed to Sioux City and rounded up enough life underwriters to start an association in the latter place. With the able assistance of the men from the Capitol City a permanent organization was effected and the following officers elected for the ensuing year:

T. B. Hutton, president; W. M. McKercher, vice-president; W. N. Grady, second vice-president; A. E. Payton, secretary; C. H. Ross, treasurer; and Neil Deering, chairman of the executive committee. The new body will apply for membership in the National Association.

SPRINGFIELD, MO.

Term insurance was the subject of a lively discussion at the regular meeting of the Springfield, Missouri, association, held on July 3. M. E. Dark's advocacy of this form of protection was followed by a general discussion which brought out many novel and interesting points.

Jake Marx delivered a very interesting paper on "Advertising." This was followed by a resolution providing for a special assessment each month to be levied against members for the purpose of carrying on an institutional advertising campaign in the local papers.

A special committee appointed recently to appeal to all local ministers for a special sermon on "Life Insurance," reported favorably. In view of the fact that other associations have successfully carried out this campaign, it is believed that the local clergymen will be glad to fix the date shortly.

TOPEKA

Members of the Topeka association have decided to fight "rebating" to a finish. This action was taken at the regular meeting of the association held on June 28.

Metropolitan Life Insurance Company

(Incorporated by the State of New York.)

THE COMPANY OF the People BY the People FOR the People

PROOF OF PUBLIC CONFIDENCE

This Company, although it operates only in the United States and Canada, has more insurance in force than any other life insurance company in the world.

The number of policies in force is greater than that of any other company in America, greater than all the regular life insurance companies put together (less one), and can only be appreciated by comparison. It is a number considerably in excess of the combined population of Greater New York, Chicago, Philadelphia, Boston, St. Louis, Cleveland, Baltimore, Cincinnati, Pittsburgh, San Francisco and Kansas City.

SIGNIFICANT FACTS

This Company's Policy claims paid in 1914 average one claim for every 46 seconds of each business day of eight hours and in amount \$232.07 a minute.

The Daily Average of the Company's Business During 1914

626	per day in number of Claims Paid.	\$305,754.00	per day in Payments to Policyholders and addition to Reserve.
8,040	per day in number of Policies issued and revived.	\$161,826.87	per day in increase of Assets.
\$1,708,728.00	per day in New Insurance issued, revived and increased.	Insurance in Force	\$2,991,114,069.00

Full particulars regarding the plans of the Metropolitan may be obtained of its Agents in all the principal cities in the United States and Canada, or at its

Home Office: 1 MADISON AVE., NEW YORK

THE LYONS PUBLISHING COMPANY

Printers and Publishers
of Private Editions

105 WEST FORTIETH STREET

NEW YORK CITY

While numerous citations of the "Chicago Resolution" were made, there was a variance of opinion as to whether or not it was too radical. Finally, it was proposed that every life underwriter in the State be asked whether or not he had received any rebate or allowed any reduction in the amount of premium during the last six months.

A special committee was appointed to take the question up with the State Insurance Department. It consists of: H. O. Garvey, Massachusetts Mutual; E. H. Lupton, Bank Savings; F. B. Parker, Connecticut Mutual; H. H. Hall, New York Life, and E. D. Clithero, Home of New York. The committee will present a resolution to Supt. Wilson asking his cooperation in the campaign.

UTAH

At the regular monthly meeting of the Utah association, held at Salt Lake City on June 19, special arrangements were made for the entertainment of delegates to the National Convention who will stop off at Salt Lake City on August 7 while en route to San Francisco.

AGENTS WHO REPRESENT

THE

PENN MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

HAVE AN INSURANCE CONTRACT
TO PRESENT WHICH IN THE SUM
OF ALL ITS BENEFITS IS UNSURPASSED
IT IS BEST NOT JUST ONE WAY
BUT BEST ALL WAYS
AND ALWAYS
BACK OF IT IS A SIXTY-SEVEN YEAR
REPUTATION FOR FAIR DEALING
WITH ALL ITS POLICYHOLDERS WHETHER
CONTINUING, WITHDRAWING, MATURING
OR DYING

1865 FIFTY YEARS OLD 1915

The Provident Life and Trust Company of Philadelphia

What is the Best Form of Policy?

Write for Leaflet

1865 LOWEST MORTALITY 1915

J. THOMAS MOORE

Manager Insurance Department

Fourth and Chestnut Sts., Philadelphia

GOOD PLACES For STRONG WORKERS

Always ready to negotiate with energetic men capable of producing paid-for Insurance in satisfactory volume.

Much unoccupied and desirable territory.

UNION MUTUAL LIFE INSURANCE CO.

PORTLAND, MAINE

ARTHUR L. BATES, President

Address

ALBERT E. AWDE, Superintendent of Agencies
7 W. Madison St., Chicago, Ill.

1850

1915

The United States Life Insurance Company

In the City of New York Issues Guaranteed Contracts

JOHN P. MUNN, M.D.,

President

Finance Committee

Clarence H. Kelsey

Pres. Title Guarantee

and Trust Co.

William H. Porter

Pres. Chem. Nat. Bank

Edward Townsend

Pres. Importers and

Traders' Nat. Bank

Good men, whether experienced in life insurance or not, may make direct contracts with this Company, for a limited territory if desired, and secure for themselves, in addition to first year's commission, a renewal interest insuring an income for the future. Address the Company at its Home Office, No. 277 Broadway, New York City.

Agency Organizer

If you are ambitious to enter organization work and can show a clean record as a successful producer, write us giving your life insurance experience.

The Franklin Life Insurance Co.
Springfield, Ill.

SECURITY MUTUAL LIFE INSURANCE COMPANY

Binghamton, N. Y.

Offers to men able to produce business first-class territory, with direct contract providing liberal compensation.

For particulars address

C. H. JACKSON, Supt. of Agencies

Life Association News

OFFICIAL ORGAN OF THE NATIONAL ASSOCIATION OF LIFE UNDERWRITERS

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NEW YORK, AUGUST, 1915

No. 12

EDWARD A. WOODS

Elected President of the National Association at the Twenty-sixth Annual Convention



Edward A. Woods was born in Pittsburgh, January 1, 1865. He was educated at the University of Pittsburgh of which his father was then president. He entered the insurance business with his father who was at that time a general agent for the Equitable. On January 1, 1890, he became sole manager of the agency. The election of Mr. Woods to the presidency insures a year of progress for the National Association.

FOREWORD

IT is a great responsibility, as well as a high honor, to be the chief executive of such a body of men and women as the National Association of Life Underwriters. It is especially so at this time when life insurance should and will play so important a part in the reconstruction of society after this destructive war.

The Association has been signally characterized by a willingness to serve the cause energetically and disinterestedly by its members from all companies and all sections. Seldom do personal ambitions or interests even appear. Back of us all we see the great body of policy-holders, and behind them their widows and orphans; homes to be protected, credit to be strengthened, society to be stabilized, and the nation benefitted. It is too big a cause for the interests of any man to come before the common good.

In confidently appealing for the energetic support of all members at all times and everywhere, we must feel that the future of our Association all depends, not on our past which is behind us but upon what is done in the future. In our power and opportunity lie our responsibilities. We will advance in public esteem only as our activities deserve. There is no lack of opportunities for aggressive, constructive work. It depends upon ourselves to do what we are called upon to do faithfully and well in whatever field and sphere we find ourselves.

I bespeak the forbearance, as well as the criticism and support of all in this most responsible position, the gravity of which I keenly feel.

EDWARD A. WOODS,
President.

TWENTY-SIXTH ANNUAL CONVENTION A WINNER

SPEECHES OF UNUSUAL EXCELLENCE—COMMITTEES REPORTED YEAR OF NOTABLE ACHIEVEMENTS—BUSINESS SESSIONS NEVER SO SNAPPY AND ENTHUSIASTIC—A WEALTH OF NEW IDEAS AND NOVEL SELLING SUGGESTIONS CONTRIBUTED.

Convention Shifted to Palace Hotel at Last Moment—Company Meetings Boosted the Attendance—St. Louis Wins the 1916 Convention After Spirited Contest—New Officials Plan a Busy Year.

While many familiar faces were missing, the Twenty-sixth Annual Convention of the National Association, held in San Francisco, August 9, 10, 11, and 12, was characterized by snap, vim, and enthusiasm. Notwithstanding the extraordinary attractions of the Panama-Pacific International Exposition, the attendance at the business sessions was all that could be desired. The formal addresses were of an unusual degree of excellence, while the discussions of five-minute topics were intensely inspiring. Three company meetings, which were held immediately prior to the opening session on the morning of August 10, were responsible for an attendance which proved exceedingly gratifying to the officers of the national body.

As is customary, a meeting of the Executive Council was held on the morning of August 9, and at a meeting of the Executive Committee in the afternoon of the same day, the various reports of officers and standing committees were presented and revised or amplified for presentation at the regular sessions of the convention. Monday noon the San Francisco association tendered a complimentary luncheon to the members of the Executive Committee. Horace R. Hunter, president of the San Francisco association, presided and made a brief address of welcome, to which President Hugh M. Willet responded.

Original Plans Changed

According to arrangements, the business sessions of the convention were to be held at the Civic Auditorium. However, it was found that the Civic Auditorium, excellent as its accommodations were, was unfavorably located from the viewpoint of attendance. Therefore, following a conference of the Executive Council and the officers of the local association, it was decided to hold the convention at the Palace Hotel. This change in plans met with the unanimous approval of the delegates.

The morning session of the first day of the meeting was called to order by President Hugh M. Willet at 10:30 o'clock, Tuesday, August 10. At the request of Mr. Willet, the delegates arose while Rev. F. W. Clampett, rector of Trinity Church and chaplain of the San Francisco association, delivered the invocation. The delegates were then welcomed to San Francisco by Horace R. Hunter, president of the entertaining association. Mr. Hunter's remarks were marked by a forceful earnestness and a sincerity, which qualities, indeed, were characteristic of all his activities in connection with the convention.

William J. Dutton, former president of the Fireman's Fund Insurance Company and now chairman of the Executive Committee of the World's Insurance Congress and a director of the Panama-Pacific International Exposition, spoke on behalf of President Charles C. Moore and directors of the exposition.

Letters of regret were then read by Secretary J. Henry Johnson. Among such communications were those of former presidents Neil D. Sills, Henry J. Powell, and Richard E. Cochran. Other communications expressing regrets at inability to be present, were those of former Secretary Bolling

Sibley of Memphis, J. Putnam Stevens of Portland, Maine, and John R. Hegeman, president of the Metropolitan Life.

President Willet Reviews Year

Following this, came the address of President Hugh M. Willet. Mr. Willet referred to the progress which had been made during the year in organizing new associations. He specially mentioned the excellent work in this direction by William G. Harris, chairman of the Membership Committee, Orville Thorp of Dallas, Texas, Secretary J. Henry Johnson, Hubert H. Ward of Portland, Oregon, and W. D. Meade of Seattle, Washington. Several new associations reported an increase of membership from fifty per cent. to one hundred per cent., the New York association having doubled its membership in less than two months. Mr. Willet also referred to the plans and purposes of the Education and Conservation movement, and explained the practical accomplishments of the Bureau, which is now under the direction of Corresponding Secretary Ensign. The text-book written by Dr. S. S. Huebner of the University of Pennsylvania was discussed, and mention was made of the association's official organ—*Life Association News*.

Vice-President Edward A. Woods was then called upon for his report and the salient points of his remarks follow:

"It seems to me that if anything characterizes the movement of life insurance in the last few years it is the growing appreciation of the public of the indispensability of life insurance as an institution to society and civilization. That is manifesting itself in countless ways; in the attitude of legislation toward life insurance; in the public generally, due very largely to the work of our association under the indefatigable and able Mr. Horner, but also owing very largely to a general appreciation of what life insurance as an institution stands for. You read of it in magazines; you see it in the papers; a general recognition of the fact that life insurance is a necessary institution.

Attitude Toward Thrift

"I have had occasion the last year to see the heads of colleges, feeling that they could start out their senior class in no better way than to make the financial program through life start out with a life insurance policy. Parents seem more anxious than ever to start their sons out in life by putting some value on the lives that ought, by that time, to have value, and starting out on a definite financial plan of seeing their sons start saving by life insurance. The attitude toward thrift and providence which has swept not only this country but the world seems to be an attitude in which life insurance is recognized as one of the most integral parts of a campaign for definite systematic laying-by of money.

"Thirty-five years ago, when I started in this business, we met suspicion and hostility and ignorance on all sides, whereas now, throughout all branches of society, life insurance seems to be considered as one of the necessary marks of manhood and one of the necessary basis of credit.

"As an illustration of that, owing partly to the work of members of this association, corporations, and banks in asking about credit put the question, 'Do you carry life insur-

ance?' and, in case of partnership or firm, 'Do you carry it for the firm?' The last few months has seen a very remarkable growth in this direction, which has been furthered by the association members, and can be still more so. We must remember that this Federal Reserve Banking System is going to standardize many banking methods. Now, the re-discounting of paper by the reserve banks requires, according to notice recently sent out, that the discounting bank shall have the statement of the maker of the paper on file. That means that throughout the country, business men hereafter are going to have to make an annual statement of how they stand. Those will have to be more and more deposited with banks and on file for the Federal Reserve Banks.

Standardized Forms

"Hitherto the blanks for getting those credit statements have been lacking in some banks altogether, and each bank has made up its own blank. But now the fact that the Federal Reserve Banks are preparing forms means that those blanks will be standardized by banks throughout the country. I have before me the credit blanks of five Federal Reserve Banks, and in each of them the question is specifically asked: 'Do you carry life insurance?' And in cases of firms: 'Do you carry life insurance payable to the firm? And how much is it for?' And if personal life insurance, 'Who is the beneficiary?' The New York Federal Reserve Bank has just issued four forms for firms, corporations and farmers or live-stock dealers, every one of which forms incorporates the question as to whether the applicant is insured, and if so, for how much.

"Now, it seems to me that that movement can be furthered by members of this association until the general proposition that all debts shall be buried with a man by life insurance will become very much more general, and I can conceive of no more profitable use of our time in canvassing than bringing this prominently before bank after bank. (Applause.)

"J. P. Morgan has so aptly said, 'Credit is based, first on Character; second, on Capacity, and third, on Capital.' Character and capacity are both destroyed by death, and the capital shrinks at death, and if we accustom the business men of America to bury their debts with them by life insurance, we shall have far more stable financial conditions and far better business than we can get by increased taxation. I particularly ask you, who are in Federal Reserve cities, to bring this matter before your banks, so that this question may be made a subject of inquiry on the credit banks throughout the United States.

Would Develop Salesmanship

"I wish in some way the life underwriters association could interest itself in another thing, and that is in some scientific method of developing salesmanship. It does seem curious that some schools teach everything you want to know, domestic science and millinery, horse-shoeing, and blacksmithing, medicine, architecture, law, teaching and the ministry; everything but salesmanship, and yet almost everybody is selling something. There is not a place I have seen where they teach an accepted method of selling a man anything. I am glad to know that the man who is perhaps the ablest and highest paid salesman in the United States, who gave us that fine address at Atlantic City, who gets half a million dollars a year for selling Ford cars, and earns every dollar of it, that that man and men like him are looking into the question of how shall we better pick and train salesmen. I believe that is a very practical subject for us to look into."

Vice-President John Newton Russell, Jr., reported as to the growth of associations on the Pacific Coast, and declared that the Pacific Coast Membership Cup was proving to be an effective factor in stimulating an interest in increased membership. Mr. Russell referred to the fact that the California Legislature recently passed an anti-twisting law and an anti-rebating bill, the former now being a law, while in the latter case the Governor refused his approval, which action was much to the surprise of all life and fire insurance represen-

tatives. The speaker also urged the organization of managers' associations, which, in his opinion, were not a hindrance to the regular association, but, on the contrary, of great assistance.

Next came the report of Secretary J. Henry Johnson. Mr. Johnson reviewed his work and the work of the corresponding secretary, touching upon the subject of several new associations which he had personally fathered, and the plans of the Education and Conservation Bureau. He urged upon local associations the necessity of electing as secretaries men who are willing to give the office the attention which it deserves.

Treasurer Spence's Report

The report of Treasurer H. Wibirt Spence was received with much interest. Summarized briefly, the figures show receipts during the past year of over \$15,000, and disbursements of approximately \$10,000, leaving a balance in the treasury of \$5,939.25. Mr. Spence referred to the action of the Executive Council at the meeting held on the previous day, where it was decided that *Life Association News* would, for the current fiscal year, declare a dividend of \$1,500 to the National Association, which would make the actual balance in the treasury total \$7,439.25. This amount proved to be \$2,100 in excess of the amount on hand at the end of the preceding year.

Lee C. Robens, chairman of the Executive Committee, was unavoidably prevented from attending the convention, and Vice-President John Newton Russell, Jr., read Mr. Robens' report. According to this report, the following applications for membership have been received since the last convention, and were approved by the mid-year meeting of the Executive Committee held on February 23, 1915:

Zanesville Association of Life Underwriters.
Snohomish Association of Life Underwriters.
Sacramento Association of Life Underwriters.
Macon Association of Life Underwriters.
Evansville Association of Life Underwriters.
South Texas Association of Life Underwriters.
Dayton Association of Life Underwriters.
Madison Association of Life Underwriters.

The following applications for membership have been received since the mid-year meeting referred to above:

South Bend Association of Life Underwriters.
Northern Main Association of Life Underwriters.
Blue Grass Association of Life Underwriters.
El Paso Association of Life Underwriters.
Southwest Texas Association of Life Underwriters.
Scranton Association of Life Underwriters.
Central Texas Association of Life Underwriters.
Valley of Virginia Association of Life Underwriters.
Butte Association of Life Underwriters.
Spokane Association of Life Underwriters.
Kanawha Association of Life Underwriters.

The Most Important Work

Mr. Robens was of the opinion that the establishment of the Education and Conservation Bureau was the most distinctive and important work accomplished during the year.

At the conclusion of the reading of Mr. Robens' report, the associations applying for membership were formally elected.

At the afternoon session, the program was slightly changed, and the first speaker was A. L. Davis of Dallas, Texas, who gave a humorous description of the conditions which prevailed in life insurance business in Texas during the years since 1911. Mr. Davis related his experience in organizing new associations.

William D. Mead of Seattle then told how he and former National President Hubert H. Ward had succeeded in organizing several new associations in the Pacific Northwest.

As was to be anticipated, the report of Warren M. Horner, chairman of the Education and Conservation Bureau, was the important feature of the afternoon session. Mr. Horner called attention to the bulletins now being issued by the Bureau, and dwelt to a considerable extent on the pamphlet,

"Institutional Advertising as Applied to Life Insurance," written by Mr. Ensign. The speaker said that this pamphlet had brought a surprisingly large number of letters of acknowledgment, many of which displayed interest and approval, and a goodly number of pledges of co-operation. Mr. Horner recommended the adoption of the following suggestion:

"That for the future there be no chairman of the Education and Conservation Bureau, but that there be a secretary, acting in the capacity which Mr. Ensign has filled so admirably the last few months. That the Bureau be made up of seven members under the title of department heads, appointed solely with respect to their peculiar fitness for the work embraced in their department. That there be a Department of Education; Department of Insurance Conservation; Department of Health Conservation; Department of Legislation; Department of Taxation; Department of Lectures and Addresses, and Department of Institutional Advertising."

A Growing Propaganda

As the Education and Conservation propaganda had grown so rapidly in a few months, it was impossible for Mr. Horner to crowd into the time allotted him the full report of its activities, and at the last moment he found it necessary to substitute in place of his formal address a letter written by the president of a prominent life insurance company, with his answers, paragraph by paragraph.

Mr. Horner was frequently interrupted by applause, and it was clearly evident that the Education and Conservation propaganda was regarded as an immensely important feature of association activities. Elsewhere in this number will be found Mr. Horner's formal address; also the letter by the prominent company official, together with Mr. Horner's replies.

Lawrence Priddy, president of the Life Underwriters Association of New York, and one of the largest personal producers in the country, told of a conversation with the president of the company which he represents. Mr. Priddy ably supported Mr. Horner's contentions and dwelt particularly upon the possibilities of his company contributing to the fund of the Bureau.

Hon. James Rolph, Jr., Mayor of San Francisco, was scheduled to deliver an address of welcome at the morning session. He was unavoidably detained, and immediately following Mr. Priddy's remarks, Edward Raney, private secretary of the Mayor, welcomed the delegates to the city.

William L. Hathaway, commissioner for the World's Insurance Congress events, discussed "What the Panama-Pacific International Exposition Is Doing for Insurance." Mr. Hathaway said in part:

"When President John Barrett of the Pan-American Union asked President Charles C. Moore as to the particular in which this exposition would leave a lasting memory, Mr. Moore replied that it was his belief that when time placed the exposition in its proper niche in history it would be best known by its initiative movement in the recognition of insurance and the benefits that would come to the entire people through a better understanding of insurance functions."

Five-Minute Topics

President Willet than relinquished the chair to Hubert H. Ward, who presided during the discussion of five-minute topics. The subjects were:

- (a) Getting prospects.
- (b) Cultivating prospects.
- (c) Closing prospects.
- (d) Getting settlements.

Excerpts of particular interest in this discussion follow:

Lawrence Priddy, New York: Prospects are everywhere. When I went from New York to Baltimore in November, 1903, after I had been in New York for two years and a half, I was offered three thousand dollars for my card index which I had made up. I get information from the morning papers; I get it from every man and woman with whom I come into contact; and I catalog it. If you do not keep an alphabetical card index of your prospects and

your clients, you make a serious mistake. I write a personal letter to or call personally on every one of my clients on the anniversary of his birth, and they do not grow so big or so old that they do not appreciate. I always used to call on Collis P. Huntington, the founder and builder of the Southern Pacific, on his birthday, and he often left a Board of Directors' meeting to see me when I sent in my card. You need not talk insurance when you call, but when they get ready to buy life insurance they will send for you. Of course, you must not always wait for them to send, but I would not try to talk insurance to them that particular day. Wish them many happy returns and go away and leave them alone. The trouble with most life insurance agents is they do not handle their business in a business-like way, and we have got to put business into this business.

Malcolm Hughes, Seattle: I make a record of every interview and try to make enough calls every day to add to my collection of prospects. One of the great troubles with us, I believe, is that we go to a man the second and third and fourth time and ask him the same questions. We have forgotten what we asked him before and what he told us on the former visit, and he gets to look upon us as a bore, but if we would tabulate the information which a busy man gives us and add to that information on that particular prospect, when we call he will find us better informed as to his needs than anybody else who calls upon him.

Prospects and Suspects

Jacob Weil, Philadelphia: I think a good many of us think we have prospects when we only have suspects. Every man you talk to is not a prospect. The average is one out of thirty of the men you solicit. But a man who has been in this business for any length of time should have no trouble in having a long list of prospects before him. We get prospects in the large cities from the newspapers; from men who are successful in their business; from men who get increased salaries; from watching the real estate transfers and marriage records and announcements of engagements and so forth. But, gentlemen, the greatest line of prospects we can fall back upon is our old policy-holders. Forty per cent of my business comes from old policy-holders. I stick to them, and they stick to me, and if you show them you are not only in business for the money but that you want to render them some service, you want to show them the new things in the policies that will help them, they will help you. During the past ten years, out of 573 policy-holders that I insured, 94 of them are carrying two policies with me; 45, three; 36, four; 6, five policies; 6, six policies; 3, seven policies; 3, eight policies; one, nine policies; one, ten policies; one, thirteen policies; and one, fifteen policies.

Guy Withers, Seattle: I believe the great thing is the cultivation, not of the other fellow, but the cultivation of yourself. You have got to get enough information about a man to make him interested. You have got to make a big man of yourself to do that thing. You must find all the points of contact with that man that you can. You must put yourself in the position of believing you are doing more for him than he is for you.

The Inheritance Tax

Frank E. McMullin, Los Angeles: I believe prospects are made, not found. The point is, to find a way to interest a man and make him a prospect. Thirty per cent of my company's entire business last year was written on old policy-holders. I think of a channel that may be perhaps new to you, and that is that each of you, when you return home familiarize yourself with the inheritance tax law, especially as it pertains to your own individual state. That will enable you to go to men who own large amounts of property and suggest to them they should have an additional line of life insurance, to pay their inheritance tax. In California if a man dies possessed of a million dollars'

worth of property which he leaves to his wife and children, his inheritance tax on that estate is approximately one hundred thousand dollars. His life insurance may not be sufficient to pay the amount required by law for inheritance tax. That being the case, you can easily show him why he should have twenty-five thousand dollars, or even possibly one hundred thousand dollars additional insurance to meet the immediate obligation of the inheritance tax. Otherwise his estate would have to borrow money on his real estate. If you can show a business man who is already carrying fifty thousand dollars life insurance a reason why he should have an additional fifty thousand dollars, you immediately make him a prospect.

After Business with a Gun

W. P. Sartory, North Dakota: Ninety per cent of my business is first interview business. When I go hunting, I take a gun; when I go fishing, I take my tackle; when I go out for insurance, I take my tackle, which is courage. We must modify that with patience. I first talk to a man on any subject that I think will interest him and finally drift over into life insurance. After I think I have said enough about insurance, I pull out my application blank and ask him where he was born and begin to fill it up. If he says, "I did not tell you I want any insurance," I say, "But you said it was a good thing, and you surely want all the good things coming."

Chas. Jerome Edwards, New York: The old policy-holder is a most fertile field for the old agent, but it is not worth a continental to a new man. I believe the way to tackle old policy-holders is to secure from them the names of their acquaintances and get their influence. If you have the old policy-holder's confidence, he will be glad to have his boy or his brother or the foreman in his factory insured. Perhaps his daughter has just married, and he would like his son-in-law to take out some insurance. There is generally some one in the event of whose death he would have to support the widow if the man who died was not insured. If I were a young agent starting out to-day, I would go to my friends and get them to give me the names of their acquaintances who might be prospects, and finally get them so interested that I would insure them themselves.

W. A. R. Bruehl, Cincinnati: One of the best leads I ever got was from a history of the State of Ohio, which a book agent sold me for \$25.00. I found it contained the history of a lot of prominent men, and I had my stenographer tabulate that on cards and then when I went out to call on my prospects, I knew all about them, where they were born, where they went to school, and so forth, and it gave me a personal touch with the prospect at once.

Crowder's Seven Rules

J. S. Crowder, Madison, Wisconsin: I am going to suggest seven simple general rules: Rule 1. Close secretly. I would rather close secretly than to be with another man's wife or another agent. The great Teacher at Jacob's well sought to close a prospect on the subject of religion and he had twelve men with him, and wisely sent them into the city on the pretext of buying bread, that he might be alone with his prospect.

Rule 2. Close confidentially. I get a man's confidence, and when I get his confidence, I lead him to the dotted line as I would a sheep to the slaughter. (Laughter).

Rule 3. Close mutually. I try to convince my prospect that I am conferring a greater favor on him in selling him insurance than he is on me. And when I get that down through his hair, I sell him.

Rule 4. Close slowly. I do not believe we ought to hit hard licks at first. Go at it slowly, and increase, as Abraham Lincoln split rails.

Rule 5. Close clearly. Many a man is confused. The layman does not know life insurance as we do, and we must deal in fundamental principles. Close clearly, but never use but one policy. Find out quickly what the man wants

and what he can carry, and then select the policy for him and present it to him and hold on.

Rule 6. Close on the first interview. It is better for the agent; it is better for the prospect; and it prevents a good deal of annoying competition sometimes. (Laughter).

Rule 7. Close permanently. Drive the nail and clinch it. Moses cried out: "Lord, establish the work of my hand." Close permanently, for time and eternity. (Applause.)

The Old Bugaboo

W. S. Pond, Seattle: I once ran across that old bugaboo in life insurance, a man who had a relative in the business. He said, "I promised my brother-in-law that the next policy I took would be with him." I said, "I appreciate the fact that you want to buy from your brother-in-law and I want you to take some insurance with me. You have not committed yourself as to the amount. Take ten thousand with me and ten thousand with him, and in a few years we will compare and see which is the better policy." I finally persuaded him to do that. A few years later I came back to the head office and found he was still keeping up his policy. I called on him and said, "How do those two policies compare?" He said, "Why, dog-gone it, I never took the policy with my brother-in-law."

A. M. Shields, San Francisco: I first get a man to be examined and after the examination has been made I call on him and congratulate him and fill out the binding receipt and say, "You are lucky." "You have not passed that describable line between where you can and cannot get insurance." If he does not take the policy the first time, I go back again, and generally, about the second time, I succeed in getting him to keep the receipt in his pocket.

President Willet resumed the chair and invited to the platform, Jesse R. Clarke, president of The Association of Life Insurance Presidents, and E. W. Randall, president of the American Life Convention.

Greetings from Presidents' Association

Mr. Clarke said in part: "I am the happy bearer of felicitations from the Association of Life Insurance Presidents. It sends you its congratulations upon the wonderful work you have done as an association, and it authorized me to say that there is every reason under the heavens for our two associations to work in the greatest of harmony and to co-operate in every good work.

"Many of us have discovered that the only item which could be cashed without discount was our life insurance policy.

"The reserve of thirty-eight companies increased in ten years fifty-two per cent; the policy loans, seventy-eight per cent. If this rate of increase were persistent, it would be 102 years before all the reserve was invested in policy loans. Should that condition be reached you would find the anomalous condition of life insurance companies being perfectly solvent, but unable to pay their death losses.

"Why not put the policy loan upon a strict commercial basis, commanding the best market terms possible, both as to rate of interest and time of payment. Treat it as an obligation to be met, and if not paid at maturity, foreclose, just as you would any other collateral loan. The rapid increase at which reserve is being withdrawn justifies the thought that the duration of life policies may be shortened. Companies may realize that they are not any longer selling life contracts but only terms. As soon as this is demonstrated, companies will cease paying high commissions to the soliciting agents and large dividends to policy-holders."

E. W. Randall said: "Life insurance has its organizations. Your association is one of them. Through the machinery of your organization, the efforts of life insurance salesmen the country over are combined and made effective. Your influence is reflected in a more favorable attitude on the part of the public as a whole. Yet the growth of the business has only begun. It is estimated that less than ten per cent of the

life hazard of the country is now covered by insurance. There are still many men with no insurance at all, and very many who are carrying insurance in insufficient amounts. The demand for life insurance is increasing. More men are buying it every year, and buying it in larger amounts.

"The life underwriters, in addition to the service rendered their companies, their patrons and themselves, are giving large public service.

A Wealth of Altruism

"It is a mistake to say there is no sentiment in business. There is a wealth of altruism in all of the work of the life underwriter. I have heard the story of an incident during the vacation of a noted singer—one who by permitting his voice to be recorded and multiplied by Victrola and Edison records has contributed to the pleasure of us all. He was among the mountains, and was enjoying an evening stroll in a quiet valley. As the darkness deepened, he noticed a light some distance up the mountain side. Soon he caught the sound of music, and, listening, heard the melody of his own voice. One of his own songs had come back to him to add to this peace and his content. The voice of the life underwriter, if it rings true, will come back to him after filling his mission. It will come from men and women, enjoying a serene old age; from widows secure from material want, and from little children from whom the natural heritage of playtime has not been taken. In no other occupation can be found so much of heart interest, and in no other life work is there greater opportunity for accomplishment worth while."

The morning session of the second day of the convention was opened by the report of Vice-President Edward A. Woods as chairman of the Taxation Committee. Mr. Woods claimed that many of the associations were not giving the matter of taxation the attention that it deserved; that there were instances where local associations had neither appointed committees nor held meetings for discussions of this subject. The speaker declared that it was now apparent that there was a more favorable attitude of the public mind toward the taxation of life insurance policy-holders. He bespoke a renewed and continued co-operation on the part of all associations and of all individual members in the movement.

Treasurer Spence called the roll and the various associations represented appointed members to the Nominating Committee.

Insurance of To-Morrow

Following this, came the address of Otto Irving Wise, vice-president Western States Life Insurance Company. This address was a scholarly presentation, going thoroughly and deeply into social and political matters as they related to the benefits of life insurance. Perhaps the germ thought of Mr. Wise's address is expressed in the following paragraph:

"The main factor in the self-protection of society against pauperism is not education, but the creation of an apparatus which conserves and administers upon the economized energies of society, so that there shall be no break or stop in the individual's usefulness. When the earning capacity of all men perpetuates itself, if only to a modified degree, we may reasonably hope to overcome the dangers of a growing proletariat. You are the representatives of perhaps the greatest instrument by which the earning capacity of the citizen is perpetuated."

In summing up, Mr. Wise declared that insurance of to-morrow will be based on continued progress and evolution, by mature experience of those particular benefits which have so largely contributed a share in the happiness and well-being of the world. It was his opinion that insurance of the future would be based upon the strictest methods of fair business dealing and not upon the charity or generosity of the State.

Mr. Wise's address was listened to with close attention, and after he had concluded, Vice-President Edward A. Woods moved a rising vote of thanks. The delegates were by no means slow to respond, and much enthusiasm, as evidenced by long and continued applause, was manifested.

President Willet then announced that the Committee of Award for the prize essay contest had decided to award the Calef Loving Cup to the author of essay No. 1846—R. O. Miles of San Francisco, general agent of the Connecticut Mutual. As will be recalled, the subject of the contest was "Life Insurance—The Institution for Systematic Thrift." Mr. Willet called attention to the fact that Mr. Miles had for two successive years prior to the 1915 convention won the second prize, the Ben Williams vase. He also referred to the fact that this was a distinction which applied to but one other member of a local association: George W. Johnston of New York.

Presentation of Calef Cup

Lawrence Priddy, president of the New York association, in a felicitous speech recalled to the memory of the audience the life of Ben Calef, who donated the cup as a perpetual annual award. Mr. Priddy presented the cup to Mr. Miles, who briefly acknowledged his gratification at his success. Mr. Miles then read his essay, which will be found elsewhere in this number.

The second prize, the Ben Williams vase, was won by Forrest W. Boswell of Detroit. Mr. Boswell represents the Equitable Life Insurance Company of Iowa, and was not able to be present at the convention. C. H. Hatton of that city was presented with the vase by William King of St. Louis. In accepting the trophy, Mr. Hatton said that Mr. Boswell was not only a writer of essays but a writer of life insurance as well.

Lawrence Priddy was so impressed with the essays that he offered a resolution that the essays submitted in the contest be reproduced in *Life Association News*. Mr. Priddy, in his remarks, was characteristically emphatic, saying: "With all due respect to all the insurance journals—and I subscribe to a number and read them fairly carefully, because I want to know what the other fellow is doing—I think that *Life Association News* is the best life insurance paper published in this or any other country, and those of you who do not read it are making a great mistake. So I offer as a resolution that the publisher of *Life Association News* be instructed to publish those papers serially and at as early a date as possible." This motion was unanimously carried.

Secretary J. Henry Johnson then read the report of the committee to audit the treasurer's books. This report was signed by William Furey of Pittsburg and William Van Sickle of Detroit, and certified that the accounts were found correct.

Agency Building

The afternoon session of the second day was initiated with the five-minute discussions on "Agency Building." This topic was sub-divided under three heads:

- (a) Getting Agents.
- (b) Training Agents.
- (c) Making Agency Meetings of Greatest Value to an Agency Force.

Vice-President John Newton Russell, Jr., was the first speaker. Mr. Russell claimed that the men who are most likely to succeed in soliciting life insurance were successfully engaged in other occupations, and naturally there was great difficulty in convincing such men of the advantages to be derived from changing their positions.

Former National President Hubert H. Ward, who presided over the discussion, called attention to the fact that Mr. Russell knew what he was talking about, as the business of Mr. Russell's agency amounted to approximately six million dollars a year.

Former National President Ernest J. Clark spoke about the distinct advantage which existed in employing college graduates, and stated that during the past two years he had taken into his agency none but college men. He declared that he found the graduates of the Wharton School of Finance and Commerce of the University of Pennsylvania well equipped to develop into successful solicitors. Warren M. Horner did not believe in advertising for agents, because

the solicitation of life insurance should be regarded as a profession, and it was his opinion that the head of any large medical institution or law business would not advertise for new recruits. The speaker referred to an instance in his own experience where he had advertised for agents, and claimed that out of fifty men who applied there was not one who proved eligible.

Former National President Charles W. Scovel took a broad view of the situation, declaring that it would be inadvisable for the general agent to select a staff composed entirely of college men, because prospects naturally reached by college men constitute only a part of the community.

Edgar Smith, of Portland, Ore., discussed the weekly meeting scheme.

Must Eliminate "Hot Air"

Forbes Lindsay, of Los Angeles, emphasized the necessity of eliminating anything in the form of "hot air." His observations upon this subject were to the effect that, although an agent may listen without any sign of resentment to that sort of thing, he will, nevertheless, detect it as quickly as the next man.

William Duff, of Pittsburg, spoke in part as follows:

"I think the best time to hold agency meetings is Monday morning at 8.45. If it does nothing else, it gets the fellows on the job early in the week. Devote the first fifteen minutes to some human interest story. In some agency some agent has paid a death claim or settled the policy. Let him tell the story connected with the case. In the second fifteen minutes have some specific subject; a certain policy contract of your particular company, or the method of presenting that contract. The last fifteen minutes should be a good old-fashioned address from the head of the agency.

"For a monthly meeting, start out or finish with a luncheon. Have reports from the various parts of your field. Have a talk from a prominent merchant or doctor or lawyer. Have them tell you the things that started them going to buy a policy. At the semi-annual meeting you can get men from other companies in to talk. Have a home office man there."

William Furey told how the agency of which he was associate manager held meetings every Saturday morning. Once a month there was a dinner, and about every six months a meeting, at which one of the officers of the company is present.

World's Insurance Congress

As the time allotted for the five-minute discussions had elapsed, President Willet took the chair and introduced C. I. Hitchcock, president of the Insurance Field Company. Mr. Hitchcock's subject was, "Accomplishments and Purposes of the World's Insurance Congress Events." Mr. Hitchcock spoke of the development of the movement, telling how the congress was the outgrowth of the inspiration in the mind of an individual that insurance had not come into its own. "I believe," said he, "that the program as arranged for the World's Insurance Congress, to be held here in October as a crown for insurance in its events at the Panama-Pacific International Exposition, will show that there is a common interest between the branch houses of the practical Brotherhood of Man, where all can work together for the good of all.

"I can say of first-hand knowledge that there is deep concern in the minds of many of those great factors who, by their force and initiative, have built the wonderful edifice of insurance. I say of my own belief that the World's Insurance Congress has 'accomplished' an opportunity for insurance to save itself from whatever it may be that it fears."

Former National President Frank E. McMullen, of Los Angeles, extended an invitation to the delegates to visit Los Angeles at the close of the convention. He said that the Los Angeles association was making arrangements to provide entertainment for visiting underwriters.

President Willet then announced that at the Cincinnati convention Vice-President Edward A. Woods offered \$25.00 in gold as a prize for the best three-minute novel suggestion

as to how to sell insurance. At the suggestion of the President, Vice-President Woods then assumed the chair. Mr. Woods briefly stated the purpose of the contest, and appointed as judges three former presidents of the national association: Chas. Jerome Edwards, Charles W. Scovel and Ernest J. Clark. Warren M. Horner was appointed timekeeper. A score of underwriters participated in the discussion, and at its conclusion the prize was awarded to Charles R. Gantz, of Baltimore, who represents the State Mutual of Massachusetts. The suggestion offered by Mr. Gantz was as follows:

Gantz Wins Woods Prize

"Samuel said, 'Know thy God and thou shalt do well and extol.' Ernest J. Clark, under whom I received a large portion of my early training, must have made a very practical application of this text to our great business of life insurance. I was taught first of all to know my company. In my few years' experience as general agent of the State Mutual, I have endeavored to carry the theory just a step further by putting it, 'Know one policy.'

"Now right to the point as to how I sell it. First, I have made an exhaustive study of one policy; the income policy. Second, and get this, I bought one for myself. A policy providing an income to Mrs. Gantz for twenty years certain, in the event of my death, or to my daughter, Edith, in the event of her death. I use this, my personal policy, and in this way I select my prospects. I mean by this I pick out men I know can afford to buy (you all appreciate the importance of this). My 'opening' is something like this, 'Mr. Blank, you believe in life insurance, and you know it happens to be my business. I thought it might interest you to know what kind of policy insurance men buy for themselves.' Producing the policy, I say, 'I merely wish to leave this with you and I want you to look it over.' Handing it to him, I add, 'I wish you would take special care of it, as it is my own personal contract.' Gracefully backing out, adding, 'I will see you again in a day or two.'

Prospect Becomes Curious

"Now, note the psychology of what I have done. First of all, the man's curiosity is strongly appealed to; if for no other reason, he will take the policy and read it to find out about me. He'll even read the copy of the application attached to see what other insurance I have, or how old I am, or any of a dozen different reasons. Before he is through he is interested.

"A sample policy will not accomplish this result. Further, I have placed on him an obligation, that of caring for and preserving my private property. Now, when I go back, in a day or two, and the subject is resumed, what happens? He begins asking me questions. I immediately find out what he does not know about the contract, thus saving an endless amount of what may have been unnecessary talk. He may not like the income form, preferring the lump sum settlement. Don't you see how the talk is minimized and, gentlemen, I can only add from personal experience, it works. In nearly every such case I have succeeded in selling my prospect some kind of policy for some amount and usually in just the two short interviews.

"The time allowance of three minutes does not permit elaboration. I figure my personal policies have never cost me a cent, but are a constant source of income, and in only two cases, in just two years, has the plan entirely failed."

Other ideas advanced were as follows:

W. D. Mead, Seattle: "I say to a man, 'I am going to ask you to do one of two things. I want you to sign a paper to the effect that you won't take this insurance or take this pen and sign the application. If you do not sign the application, tear it up.' In this way you place the responsibility absolutely on him, and he does not want to think that you will go around and possibly in the very near future show his name under a statement that he would not buy insurance. The whole thing lies in the psychology of the transaction."

J. J. Jackson, Cleveland: "Suppose I am talking to a doctor, I say, 'Doctor, I came in to incorporate your business this morning. You are making ten thousand dollars a year. Your head represents a capital of \$250,000, which, at four per cent, yields you \$10,000 a year. Dead, it means nothing, and your widow cannot collect forty per cent of your accounts. You have no time for investment; you have made four in the last year and lost in three; at that rate, what will you be worth when you are forty-five? You are now thirty-five years of age. You ought to save \$2,500 a year. The Union National Bank says, if you will deposit \$2,500 a year, they will give you a bank book agreeing to retain your money, and if you should die they will pay your widow \$2,500 a year for the next twenty years, incorporating your head for at least \$75,000. If you become disabled so you cannot work, you need not pay any more; we will pay you \$2,500 a year. What would you do if the bank should tell you that?' 'I would take it.' 'Thank you sir. I will just write it up for you.'"

Have Prospect Examined

Frank H. Stratton, Boston: "I say, 'Mr. Brown, we have a proposition you will be glad to know about if you are able to qualify. I cannot give you the details of it, but it depends on three things: your age, the age of your wife, and a certificate of health.' I don't say 'examination,' because that scares him. Then I get the policy out; get him examined; and when I have the doctor's report I telephone him to come to my office. If he will not come or says he is not interested, I say, 'All right, we will let it lie.' Then he wants to know what the doctor says, and I tell him I cannot discuss it now. By having him examined I find out just where he stands on insurance and know what amount to make the policy for. I keep the policy on my desk until he comes into my office, and then that is all there is to it."

While the judges were deciding as to the award, Mr. Woods used Mr. Horner as an object lesson, pointing out how a man might be made to assume the responsibility of refusing a policy. Addressing Mr. Horner, Mr. Woods said: "Mr. Horner, I am going to take up one minute of your time. Within the next minute you are going to decide whether or not that little girl of yours or your wife is going to be protected by this fifty dollar a month income. If you tell me 'No' before that second hand goes around, of course, it is your affair. It is your responsibility. Now watch the hand go."

Another illustration used by Mr. Woods was as follows: Speaking to Mr. Horner: "Mr. Horner, there is that piece of paper. Will you just put your name on there? I will tell you why afterward. I will not take the paper after you have signed it unless you want me to do so. Now, Mr. Horner, if you will let me take that paper and put it through the regular machinery, it may mean fifty dollars a month to your family. If you do not want to do that, tear it up; I will not take the responsibility of doing something that may mean to your wife or daughter the difference between at least the necessities of life and poverty. Now it is right there before you. You can tear it up if you want to. I promised not to touch it. It is up to you. Now tear it up or tell me I can have it, one of the two." Mr. Woods then pointed out how it was possible to make the prospect take the overt action.

A Bit of Woods Wit

Guy Withers, of Seattle, asked Mr. Woods what could be done if the prospect said that he was going to "think it over." Mr. Woods replied that in a case of this kind he would say: "All right; that is your responsibility. It is not mine. If a man said to me, 'I do not care what happens to my wife after I die,' I would say, 'I have got a very brief blank for people like you—just two questions. First, where were you born? Second, why?'" These observations created such a volley of laughter and noisy enthusiasm that

it was several minutes before order was restored. Continuing his remarks, Mr. Woods said: "There are just three kinds of people who do not buy life insurance. The people who cannot pay for it. Second, the people who cannot get it. And, third, the people who do not care a damn for their families. Now, either you are in one of those three classes or you are going to take my proposition. You will have to qualify yourself."

Congratulates Association

William Alexander, secretary of the Equitable Life Insurance Society, at the request of President Willet, briefly spoke of the trouble caused by incompetent and unscrupulous agents, and congratulated the association on the magnificent work which they were doing in improving field conditions.

President Willet then presented the Edwards Membership Trophy to Lawrence Priddy, president of the New York Association. This trophy is an annual award, and is based one-half on the numerical increase in membership and one-half on the percentage increase in membership. The New York Association had increased its membership to 264 members.

The Whittington Delegate Trophy, which is annually awarded to the delegate present at the convention who proposed the largest number of new members to his association during the year, was also awarded to Mr. Priddy, who had proposed fifty-two new members.

The Waite Attendance Trophy, which is awarded to the largest average attendance at monthly meetings of local associations, was given into the custody of the New England Women's Association. President Willet handed the trophy to Elmer E. Silver, of the Boston Association, who volunteered to present it to Mrs. Florence E. Shal, president of the New England Women's Association.

The annual banquet was held Wednesday evening at the Palace Hotel. There was much good music, an abundance of flowers, and several brilliant after-dinner speeches. The occasion was enlivened by the Pacific Mutual Glee Club, and the diners joined in singing popular songs led by the Glee Club and the orchestra. The Rev. F. W. Clampett, chaplain of the association, delivered the invocation. Toastmaster Hugh M. Willet, after a brief speech, introduced John L. Shuff, of the Cincinnati association. Mr. Shuff was at his best, and delivered a series of side-splitting witticisms and anecdotes. Hon. Robert Newton Lynch, vice-president of the San Francisco Chamber of Commerce, attempted several stories "in the lighter vein," but at the stentorian and emphatic suggestion of Mr. Shuff, abandoned this particular brand of oratory and launched into some "strong stuff."

Hon. James D. Phelan, United States Senator from California, spoke of the resources of his native State, and after he had resumed his seat a large proportion of the delegates were in the mood of tearing up their railroad tickets and locating permanently in the Golden West. George T. Wilson, second vice-president of the Equitable Life of New York, was prevailed upon to make a few remarks. Mr. Wilson enjoys the reputation of being one of the best after-dinner speakers in the country, and this, his latest effort, surpassed all former oratorical flights.

Dr. Wheeler's Address

President Willet called the convention to order at 10.15 on Thursday morning, after which he introduced Dr. Benjamin Ide Wheeler, president of the University of California. The subject of Dr. Wheeler's address was "Life." The speaker declared that the trouble with life insurance agents was that they did not realize how ignorant people are. He pointed to the great need of educators; to the necessity of having more men who can understand the other fellow's need.

"You represent a great social undertaking," said Dr. Wheeler. "You are evangelists; your great trick in trade is the ability to convince people that you have got the very thing that will apply to their need. That is the way we take your prescriptions finally."

"Life is not a thing that is pent up within the fleshy walls of the body of a man. Life is a social factor. Life is made up of associations and institutions and attachments and affections and sacrifices. The real thing that makes life is that attachment to others which leads us to make permanent associations, leads us to found existence upon sacrifice and achievement. The Master said, 'I came that ye might have life, and that ye might have it more abundantly!' A man is not a man when he merely lives; he is a man and lives a life when he enters into the community of his fellow beings and utilizes that community for all there is in it, has a real social existence, has a family and children, and is true to the family cause; is a good citizen; knows that it is his duty to register and to vote; knows that he dare not vote for his selfish interest, but must vote for the interest of the community of which he is a member; belongs to organizations; belongs to the lodge, if you like, or the church, if you like; and pays for the support of those things.

Nothing Without Effort

"We cannot have community life such as this that we live in without cost, without trouble, without effort. We cannot have it without these things we call human institutions, and the man that lives the life takes his part in the institutions of mankind in society, belongs to things, carries burdens, assumes positions that do not immediately offer return, because he is willing to make sacrifices for the establishment and perpetuation of society.

"A man begins to be a man when he begins to establish himself into a permanent relation with society, which is indicated by that thrift of his which starts accumulations of property. You have anarchy without it. Your business is to promote thrift; inducing people to make regular payments toward the business of establishing themselves in permanent relation to the institutions of society.

"I recognize your work. I believe that it is to receive, in the years to come, extension in method and mind which you can hardly bring out to-day. You are engaged in a work that has a future before it; depth in its purpose; height in its aspiration; it is for you, gentlemen, to live up to a great opportunity in the unfolding of a great work."

Dr. Wheeler was enthusiastically applauded at the conclusion of his address, and when order had been restored Vice-President Edward A. Woods gave an analysis of the results which had been secured from the forms sent out some time ago with the intention of securing accurate data as to the employment of agents. The replies received to this "Agent's Self-Analysis" were most interesting, and will greatly assist in establishing certain standards of agency efficiency. The analysis appears elsewhere in this number.

Orville Thorpe, of Dallas, Texas, was the next speaker, his subject being "Life Insurance as an Economic Force." Mr. Thorpe went into his subject thoroughly, and his address is reproduced on other pages of this number.

St. Louis Wins 1916 Convention

The delegates then took up the question of the selection of a place for holding the next convention. Elmer E. Silver, of Boston, and John L. Shuff, of Cincinnati, invited the delegates to select Boston for 1916. J. W. Bishop, of Chattanooga, and Charles W. Scovel, of Pittsburg, made stirring speeches in favor of Chattanooga as the next convention city. William King, of St. Louis, ably supported by Warren M. Horner, urged that St. Louis should be the choice of the convention. Excitement ran high, as straw votes seemed to indicate that the convention was dead-locked on this question. On the first vote, Boston received eighteen and a fraction votes; Chattanooga, seventeen and a fraction; and St. Louis, twenty and a fraction. Under the rules, this necessitated taking another ballot, which was done, with the following results: Boston, two and three-fourths; Chattanooga, twenty-three; St. Louis, twenty-three and a fourth. Mr. Silver then withdrew Boston, and another ballot was taken, with the

result that the votes for St. Louis totaled twenty-five and a half and Chattanooga twenty-one and a half. On motion of Mr. Bishop, the choice of St. Louis was made unanimous.

Report on Registration

At the beginning of the afternoon session, President Willet delivered the following report of the Registration, Information and Credentials Committee:

Delegates	214
Alternates	45
Guests	276
Local association.....	52
National officers	6
Home office officials.....	20
Delegates at large.....	3
Press	13
Ladies	15
Total.....	780

The register showed 78 local members present, 26 of whom were delegates and alternates.

After taking subscriptions for the official proceedings of the convention, former National President Ernest J. Clark explained the scope and purpose of the text-book about to be issued under the auspices of the Education and Conservation Committee, and written by Dr. S. S. Huebner, of the University of Pennsylvania.

Mr. Clark said that the text-book would be an invaluable aid to the selection and training of agents, as it was written from a purely disinterested point of view by a prominent life insurance educator. The price of the book is \$2.00 per copy, and the Education and Conservation Committee, through Mr. Ensign's office, will have exclusive sales rights to the members of the National Association and all insurance interests. Subscription blanks were passed around, and it is safe to assume that every man in the room subscribed to at least one copy. Orville Thorpe, of Dallas, Texas, subscribed for fifty copies.

Report of Nominating Committee

Former National President Frank E. McMullen then read the following report of the Nominating Committee:

For President, Edward A. Woods.
For Vice-Presidents, Lawrence Priddy, J. Henry Johnson.
For Secretary, A. C. Larson.
For Treasurer, H. Wibirt Spence.

To Fill Vacancies on Executive Committee caused by expiries and resignations:

For the Term Expiring in 1917.

John Newton Russell, Jr.....Los Angeles

For the Term Expiring in 1918.

Frank D. Buser.....Philadelphia
Leon F. Foss.....Boston
E. J. Meyer.....Montgomery, Ala.
John T. Shirley.....Harrisburg
George R. McLeran.....Chicago
W. A. R. Bruhl, Sr.....Cincinnati
George Wahl.....Scranton
A. W. Brown.....Davenport, Ia.
Edgar Smith.....Portland, Ore.
J. Stanley Edwards.....Denver, Colo.
George H. Olmsted.....Cleveland
Lawrence T. Doyle.....Savannah
Fred W. Maule.....San Antonio
John Patrick.....Charleston, W. Va.
H. W. Schroeder.....El Paso
J. B. Shaw.....Waco, Texas
J. A. Bassford.....Grand Rapids
J. W. Bishop.....Chattanooga
C. L. Lunt.....Des Moines
Henry W. Maul.....Newark, N. J.
Lott H. Brown.....Columbus, Ohio

J. M. Dickey.....Erie, Pa.
 W. F. Dodson.....Norfolk, Va.
 J. P. Quarrels.....Charlotte, N. C.
 H. H. Loughridge.....Lincoln, Neb.
 Charles D. Kipp.....Salt Lake City, Utah
 W. T. Feely.....Lima, Ohio
 O. F. Wilson.....Oklahoma City, Okla.
 T. S. McKinney.....Knoxville, Tenn.
 C. C. Thompson.....Seattle, Wash.
 J. P. Mulhall.....Utica, N. Y.
 E. E. Flickinger.....Indianapolis
 Lawrence Priddy.....New York City
 J. A. Wellman.....Manchester, N. H.
 S. F. McAnear.....Sacramento
 J. S. Crowder.....Madison, Wis.
 A. J. Meiklejohn.....Montreal, Canada
 John R. Reed.....Ottawa, Canada

Some Associations Negligent

The following associations have not indicated their choice for membership in the Committee, nor have we been able to determine who should serve on the Executive Committee for these respective associations. We, therefore, recommend that Corresponding Secretary Ensign communicate with the presidents of these associations, requesting that they at once advise him whom they desire to place on the Executive Committee. Members thus recommended may be acted upon by the Council at its first meeting.

Zanesville, Ohio.
 Snohomish Association, Everett, Wash.
 Macon, Ga.
 Evansville, Ind.
 Houston, Texas.
 Dayton, Ohio.
 South Bend, Ind.
 Northern Maine.
 Bluegrass Association, Lexington, Ky.
 The Valley of Virginia, Staunton, Va.
 Butte, Mont.
 Spokane, Wash.

Respectfully submitted,

WILLIAM M. WOOD,

Chairman.

FRANK E. McMULLEN,

Secretary.

On motion of former National President Hubert H. Ward, the nominations were closed, and the secretary instructed to cast the unanimous ballot of the association for the gentlemen named in the report. At the request of the chairman, the incoming officers took seats upon the platform and were greeted with great applause. After congratulating the successful candidates, Mr. Willet turned the chair over to President-Elect Edward A. Woods, who briefly expressed his pleasure at his election, and said that he realized the responsibility which it cast upon him.

Wants More Vice-Presidents

Malcolm Hughes, of Seattle, suggested that the Executive Committee take into consideration the advisability of appointing several more vice-presidents to the organization. This suggestion was supported by Warren M. Horner, who recommended that the matter be discussed by the Executive Council.

Treasurer H. Wibirt Spence announced the receipt of an application from the North Louisiana association, located at Freeport, La. This application was accompanied with a check for dues and a copy of its by-laws and constitution, and Mr. Spence moved that it be admitted to membership subject to the approval of the Executive Committee. The motion prevailed.

On motion of former National President Charles W. Scovel, the association expressed its gratification at the working out of the plans for a general insurance congress, which, for the first time in the history of world expositions, recog-

nized the place of insurance as a whole, with life insurance in the lead, among the social and economic forces of the day.

A vote of thanks was passed to the San Francisco association for the manner in which it had taken care of the convention and for the entertainment accorded. Votes of thanks were also passed to the retiring officers of the National Association, to the San Francisco hotels, and to the insurance and daily press. The convention then formally adjourned.

Executive Committee Meeting

An Executive Committee held a meeting immediately after the adjournment of the convention and elected John Newton Russell, Jr., as its chairman. Herbert R. Lewis, a member of the Executive Council, presented his resignation, and the terms of Henry J. Powell and Neil J. Sills expired. Mr. Sills was re-elected and Hugh M. Willet and Lawrence Priddy were chosen to fill the two other vacancies. The Executive Council is therefore composed of the following gentlemen:

President, Edward A. Woods.

John Newton Russell, chairman of the Executive Committee.

Treasurer H. Wibirt Spence.

Neil D. Sills.

Hugh M. Willet.

Ernest J. Clark.

Lawrence Priddy.

After the adjournment of the convention, the delegates and visitors were taken in automobiles to the Panama-Pacific International Exposition, where a meeting was held in the Court of Abundance.

President Edward A. Woods called the meeting to order and introduced Hon. Charles C. Moore, president of the Exposition, who spoke in part as follows:

"I challenge any of you, however earnest or enthusiastic you may be, to exceed the feeling of pride that I have in this meeting of the National Association of Life Underwriters.

"About three years ago a worthy man came to me and unfolded a plan by which the Exposition could be used to show the intimate relationship, the vast good that insurance in its branches had conferred and was constantly conferring. To bring that under the broad division of social economy was so thorough a triumph that do you wonder I feel a satisfaction at the part, small though it is, which I played? The man who conceived the idea was one of your own people—a life underwriter. Some of my associates doubted the wisdom of this, but I saw that the man we had selected for insurance commissioner could be trusted. He had the appreciation of what this Exposition could do for the insurance world. His program has been carried out, and gratefully does the Exposition to-day before you all acknowledge and recognize our sentiments of gratitude to William L. Hathaway for having made it possible for the Exposition to do a most notable and memorable work.

300 Insurance Exhibits

"There are over three hundred exhibits in the different departments of this Exposition, showing the power and the future of insurance. If we have been the humble means of aiding you in your business, we also take to ourselves the satisfaction that with your help we have been able to advance the education and knowledge of the thousands and thousands who have been here to a point which they could not have reached otherwise for many years.

"Therefore, at this memorable meeting, it is the pleasure of the Exposition to give to your representatives a little token that will be a reminder in the future of the part that you have played and will continue to play, and as evidence of the satisfaction that you all must feel in the future when this Exposition is but a memory, though the influence it exerted will go on indefinitely. Therefore, if the retiring

(Continued on page 13)

Life Association News

A MONTHLY JOURNAL DEVOTED TO THE INTERESTS OF ALL
LIFE INSURANCE AGENTS.

PUBLISHED BY THE
NATIONAL ASSOCIATION OF LIFE UNDERWRITERS

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LIFE ASSOCIATION NEWS, 56 Pine Street, New York City.

ARTICLE II OF THE CONSTITUTION.

"The object of this association shall be to advance the best interests of the cause of true life insurance."

This newspaper is owned by the National Association of Life Underwriters, unincorporated, a voluntary association; Edward A. Woods, president, Frick Building, Pittsburgh, Pa.; A. C. Larson, secretary, Washington Building, Madison, Wis.; H. Wibirt Spence, treasurer; 306 Penobscot Building, Detroit, Mich.

SUBSCRIPTION PRICE, \$1.00 A YEAR IN ADVANCE.

CONVENTION OBSERVATIONS

Difference of opinion is not necessarily inimical to the best interests of an organization such as the National Association of Life Underwriters. Discussion, which is generally an attempt to eliminate the impractical factors of a proposition, precedes adoption or rejection.

A complete concurrence of opinion is not always desirable; indeed, that unanimity of thought to which we attach such a term as "harmony" may mean apathy or inanity.

There never was a question of importance which was bounded by only two sides, and in making this assertion we are not inclined to apologize to the supposedly erudite adage-smith who first foisted upon the world an unparalleled example of specious argumentation.

As a matter of fact and as a matter easily demonstrable, we declare that the sides of practically every question can be ascertained only by the number of individuals who are interested in it.

Therefore, it would seem to be apropos to record a few observations with regard to the San Francisco convention. But in doing so, we are perfectly aware that there are those who will disagree with us, just as there are those who will agree with us.

The National Association has by no means escaped criticism—well deserved criticism—in several instances for elevating to positions of honor men who had failed to demonstrate even mediocre ability as life insurance salesmen. Personal production or managerial ability of a high order, we believe, should be a fundamental test of a man's fitness to serve as an executive of the national body. It has been claimed that the official stamp of approval has, in several instances, been placed upon men who, by reason of the above standards, were not entitled to it. Likewise it has been pointed out that such procedure not only reflects unfavorably upon the National Association but creates a false impression in the minds of company officials. The endorsement of the National Association is a valuable asset to any life underwriter, but when such endorsement is unwarranted, it is not beyond belief that some company may be the victim of misplaced confidence.

It is obvious, however, that there is now a marked tendency to give this matter the attention which it deserves. This is clearly shown in the election of Edward A. Woods to the presidency. Mr. Woods is the manager of the largest life insurance agency in the world. His staff produces more business than is respectively written by the majority of companies operating in the United States and Canada. Lawrence Priddy, who was elected a vice-president, is a producer of phenomenal ability. John Newton Russell, Jr., elected as Chairman of the Executive Committee,

WORK WITH WARD OF THE PACIFIC ON THE PACIFIC YOU KNOW THE REST "COME TO THE PACIFIC WITH WARD"

is manager of an agency producing over five millions of business annually. Vice-President J. Henry Johnson is a man of quiet dignity; he has never been an aspirant for oratorical honors, yet Mr. Johnson stands high with his company and is highly respected and esteemed in the community in which he operates. He "delivers the goods." It cannot be said that the new secretary, A. C. Larson, belongs to the "Old Guard," but Mr. Larson is a life underwriter of unusual ability. His agency produces approximately one-half the business turned into the company which he represents. Treasurer H. Wibirt Spence directs the activities of an agency staff which produces a splendid volume of business.

These facts unmistakably indicate that hereafter an aspirant for honors in the National Association must possess qualities of actual worth from a practical business viewpoint, in contradistinction to the cheap and frequently unscrupulous methods of a politician.

It is very generally conceded that the conventions of the National Association are the most potent force existing in field practises. In order that this may be so, it is always necessary to give strict attention to the necessity of not permitting any company influence to militate against the common good. For this reason, the officers of the National Association have announced from time to time that they did not look with favor upon company meetings held at conventions at hours which interfered with the attendance at the regular sessions of the convention.

This announcement has been made in *Life Association News* and in the convention call, sent our prior to the conventions.

On the second day of the convention it became known that the San Francisco manager of a large eastern company had planned to hold an agency meeting in the same hotel in which the National Convention was being held, and at the same hours the National Convention was being held, and in a parlor but a few feet removed from the room occupied by the delegates to the National Convention. To say that such an action was a surprise is but expressing it mildly. If not in utter defiance to the repeated requests of the officers of the National Association, it was at least in absolute disregard of the courtesy that the National Association expected to find evidenced by life underwriters of the convention city.

Another point which should receive consideration prior to conventions in future years is the advisability of holding the business sessions in an auditorium con-

nected with the hotel at which the largest number of delegates are to be located. It was originally planned to hold the sessions of the San Francisco convention at the Municipal Auditorium. The Executive Committee, however, decided to hold the convention in the ballroom of one of the principal hotels. The room selected afforded more than sufficient space. Those who are familiar with National Associational affairs will recall that the most successful conventions in recent years were held at Chicago and Cincinnati. In both places accommodations for holding the business sessions were located at hotels which were the headquarters of the Executive Committee.

TWENTY-SIXTH ANNUAL CONVENTION A WINNER

(Continued from page 11)

president will graciously accept from my hands this medal as a little token of our regard and appreciation for what has been done by insurance, and also as an evidence of our good wishes for you all, you will have for all time the gratitude of the Exposition."

President Moore then presented former President Willet with a bronze medal, the receipt of which Mr. Willet acknowledged on behalf of the association. Mr. Willet then presented the medal to President Edward A. Woods, who formally accepted it for the National Association. In response to several calls, William L. Hathaway, insurance commissioner for the World's Insurance Congress, briefly expressed his pride and pleasure at the result of his efforts on behalf of insurance at the Panama-Pacific International Exposition.

The delegates then visited various points of interest at the Exposition, many of them assembling later in the day at the Old Faithful Inn.

CANADIAN UNDERWRITERS' ANNUAL MEETING

Final preparations are being made for the ninth annual convention of the Life Underwriters Association of Canada, which is to be held in Toronto on September 8, 9 and 10.

Toronto is noted for its hospitality, and the local association is making every effort to give the visiting underwriters adequate entertainment despite the gloom which hovers over the country, owing to the great European struggle in which Canada is playing a conspicuous part. Many prominent speakers have been secured for the meeting. The list includes Hugh M. Willet of Atlanta, Ga., former President of the National Association, and vice-president of the Canada Association.

NEW TEXT BOOK FOR BOSTON SCHOOL

Arrangements have been made for the institution of a course on life insurance in the Boston School of Commerce and Finance of the Boston Y. M. C. A. to begin on October 5.

The course will be based on the new text book, "Life Insurance," now being prepared under the auspices of the National Association by Dr. S. S. Huebner, of the University of Pennsylvania.

It is through the efforts of Franklin W. Ganse, of the Columbian National, that the course will be installed. An excellent schedule of lectures has been arranged by Mr. Ganse.

EDUCATION AND CONSERVATION ARGUED PRO AND CON

CHAIRMAN WARREN M. HORNER REPLY TO EVERY PARAGRAPH OF LETTER WRITTEN BY PROMINENT COMPANY OFFICIAL ON SUBJECT.

The Committee Believes Much Good Will Result From This Discussion Which Is Expected To Bring Out the Views of Other Insurance Officials.

The Education and Conservation Bureau of the National Association of Life Underwriters—a movement to engage in conservation measures and for the creation and utilization of by-products with respect to the business of life insurance.

The melting-pot for constructive reforms in enlightened service to patrons common to all companies and agents.

It is the principle of institutionalism—organization—centralized action—co-ordinating of forces—community interest, all rolled into one.

The idea is not new.

It is as old as the history of human institutions and exemplified by their progress.

It is consistent with the teachings of the great philosophers and is now actually being carried out by many important world movements and a live issue in practically all fields of endeavor.

The same logic is carried up into the realm of amity of nations by those who believe in a final International Court of Adjudication.

The letter printed below was written under date of March 24, 1913, by the president of a prominent company to a general agent of his company, the general agent having written the president for his co-operation in the Education and Conservation movement.

This letter was only brought to the attention of the undersigned for the first time on the 22nd of July, 1915. The communication, though negative, is written in such a scholarly and judicial manner and with so much open-mindedness, that permission was secured to answer it, for the reason that it seemed that much good to the Education and Conservation Bureau would grow out of the answer.

The letter, as above characterized, speaks for itself, and is answered because the writer is the president of an old standard company, a man who is not an accident in the life insurance business in his official capacity, and, in the opinion of most of the fraternity, one of the three or four strongest officials in the country.

For this reason and the further fact that the committee have long hoped for such an opportunity, the letter and answer are here published:

March 24, 1913.

Dear

The other day you wrote me in reference to the company's position in regard to the subject of the impersonal advertising of life insurance brought forward by the resolution of the National Association of Life Underwriters, as per page 110 of its 23d Annual Proceedings, since endorsed by many local associations. Some of these had brought their conclusions to our attention and all these in turn have had consideration and acknowledgment.

We have not found it possible here to date to endorse this movement for reasons which will be stated in the course of this letter, but not, you will understand, from the slightest want of respect for what life underwriters desire or think desirable in the furtherance of their profession and the life insurance business.

The Memphis resolution of 1912 was originally introduced by Mr. Warren M. Horner, of Minneapolis, was referred to the Executive Council of the Association, reported back to the Executive Committee and by said committee approved "in order to report it to the convention." We concur, with perhaps a single exception, in the various preambles to the resolution, as per page 109 of the report. The possible exception open to debate is that "the comparative newness of the system (referring to life insurance) and its rapid growth has prevented a proper understanding of the importance of the business both in its relationship to the public and as a vocation." That is perhaps true in failure on the part of the general public to appreciate the fundamental influence of the life insurance institution upon financial credits and exchanges and upon social, educational and moral values, while the business as a vocation has for some time under personal selection of educated men been inviting the attention of "high ethical standards and ability."

The question remains whether by impersonal or what is called non-partisan advertising the results can be obtained which are

claimed for the scheme, and that question, I admit, cannot probably be answered finally except through trial. The resolution passed at the Memphis convention reads as follows:

"Resolved, That the president of this association appoint a committee of five with power to confer with like committees of any other insurance bodies to devise ways and means for greater publicity in Life Insurance, for some non-partisan campaign of advertising and conservation, and for a concerted movement to inaugurate a campaign of education through lectures or addresses and through a more general adoption of educational opportunities for the younger generation.

"Resolved, That the adoption of this resolution carry with it the power to act on any plan approved by the Executive Council of this association, whether in conjunction with such other bodies or an independent movement inaugurated by this association."

It was passed without debate in convention except by Mr. Horner, of Minnesota, and Mr. Wilson Williams, of Louisiana, who, in substance, expressed brief opinions to the effect that there was need of "constructive salesmanship, constructive advertising and constructive publicity," that enduring results would be had "if an organized movement is carried out which brings the three contracting interests, the people and the companies and the agency forces, in close relation under some unified plan," and that the association "should take steps through an aggressive committee of determined men to induce high schools, colleges and universities to encourage special courses of instruction in our profession." The quotations are from the two speeches made subsequent to the adoption of the resolution.

The committee appointed consists of Mr. Warren M. Horner, of the Provident Life and Trust in Minneapolis; Mr. E. A. Woods, of the Equitable Life Assurance Society in Pittsburgh; Mr. L. L. Hopkins, of the Union Central in New York City; Mr. T. C. Thompson, of the National in Chattanooga, and Mr. Jules Girardin, of the Phoenix in Chicago. This committee has issued a circular "to the officers of the leading life insurance companies of the United States," in which the claims were advanced that agents over the country everywhere endorse it and "especially a campaign of non-partisan educational advertising." They advise for that purpose an expenditure of \$100,000 in the year 1913, to be derived from an assessment of five cents per thousand for paid-for business from a majority of the thirty largest companies in point of assets reporting to the New York State Department, to be paid to Edward A. Woods, treasurer, of Pittsburgh, and to be disbursed for such non-partisan educational advertising in 1913 "on the authority of the Executive Council of the National Association of Life Underwriters and of a committee of five to be appointed by the companies." We have not subscribed to this agreement, of which find printed copy herewith.

The claims for the proposed advertising campaign have been clearly set forth by the committee and are so important to a consideration of the subject that the paragraph is quoted in full:

"The committee believes from its investigation that the campaign proposed is advisable because: (1) It will educate the public as to the benefits of life insurance; (2) it will give them valuable information in the matter of selection of policies; (3) it will cure to a large extent the unnatural and unnecessary aloofness upon the part of the public toward life insurance and the life insurance agent; (4) it will give the public valuable information in regard to taxation and insurance laws; (5) it will aid materially in the matters of (a) conservation of insurance written, and (b) in the conservation of health; (6) it will result in better service all along the line to the public, the companies and the agents, and result in raising the standard of the whole agency system; (7) when this campaign is thoroughly launched the agents will find it twice as easy to sell insurance; (8) it will make dollars spent for partisan advertising bring far greater returns; and, finally (9) it will result in a permanent bureau of great and lasting benefit to the whole institution of legal reserve insurance, and (10) this bureau can become a part or adjunct of the Presidents' Association or a bureau separate from any other body."

The purpose of reviewing this subject matter in this form is not to annoy you with a long communication but to fix the discussion in our minds and for possible reference hereafter. It should be added that other suggestions have been made, as follows: (a) That the articles should be printed in the leading dailies of about thirty of the largest cities, with use of the *Saturday Evening Post* and "possibly one or two other publications of a similar nature;" (b) that the articles should appear weekly or bi-weekly, according to the space used; and (c) there were special circulars sent out by Chairman Warren M. Horner suggesting a series of lecture courses (especially applicable to advanced post-graduate and college work) and announcing the preparation of a text-book "to meet the situation in life insurance in the public schools."

In the short statement which I shall make on the subject as to our position, I wish at once to emphasize in the strongest possible manner the . . . fixed and unchanging belief in the general agency system, its conclusive objection to all rebating, twisting and misrepresentation, its most hearty endorsement of every plan by which the amenities of the business between companies and agents

READERS!

NAME THE COMPANY

That has a complete EDUCATIONAL SYSTEM for
NEW MEN!

That has a SALES DEPARTMENT that SUPPLIES
PROSPECTS!

That keeps records of THE
VALUE of the SALESMAN'S HOURS and INTERVIEWS!

Ask your friend in the life insurance business **what company it is** that does this; fill out the blank below and mail to us, and we will send you, free of charge, a useful pocket memorandum book.

My date of birth is _____

Are you in the Life Insurance business? _____

Would you like an illustration of our policy at your age? _____

Would you like further information concerning our plan for salesmen? _____

Name _____

Address _____

will be advanced and the adoption of every possible method by which public opinion may be properly and effectively educated on the subject. We find, however, in this proposed plan of impersonal or non-partisan advertisement some objection, to the absolute relevancy of which we do not hold, but which we submit as a reason of merit for not immediately subscribing to this commitment, if at all:

(1) A non-partisan advertisement of life insurance,—that is, of its principles and social values, as well as practice—upon the doctrine of its vast present service to society and to states and nation should imply the existence of a condition which would lead the great papers and magazines of the country to admit that subject to the same news and editorial consideration which other economic, political and financial questions receive. The business by virtue of its size, its extreme daily activity, is entitled to a frequent discussion of its principles, its practice and its service without paying for their exploitation as advertisements. That is a duty which the press owes to the country at large and upon the discharge of which it has never adequately entered at any time.

(2) Such non-partisan publicity probably means non-mention of any particular company or comparative plans of insurance, but such copy possibly would not do justice to the actual facts or tendencies of the business without honestly discussing systems of life insurance, making just distinctions based upon the facts of experience and of probable future experience between mutual and stock companies, between level premium and assessment companies and between all these systems and fraternalism.

(3) If, then, the publicity contemplated cannot be non-partisan fairly as to systems of life insurance, it cannot be so as to companies unless the intent is to disclose their asset and insurance composition, their practice, etc., as being matters of the highest importance in selecting any company or any policy, and to do so in a manner which will discriminate in favor of the companies of age and strength, since their selection, of course, would best conserve the interests of individual members of society.

(4) But if that be not done, there stands a suggestion of educating the public in principles which are just as likely to be construed in favor of other companies than the ones which have contributed to the campaign, and if so, why should the expense be limited to or assumed by a few out of the large total of companies reporting to the New York Department of Insurance?

(5) The advertising must be impersonal as to both system and company in order to make it what is called non-partisan, but in that case it must also take on a lack of true instruction and honest publicity, which fact will manifest itself at once in both an actual personal solicitation and in cases of competition.

(6) Besides, it is fair to suggest the question why solicitation itself should not also be non-partisan as well as the advertisement of the business as a whole. The reply, of course, is that it is impossible, especially where comparisons and special pleadings are found to be essential to a sale.

(7) The selection of a few papers may be found to be unfortunate, since there will be many others which will wish to participate in the advertising patronage, while it is also true that the proposed elimination of what might be called the country press will involve failure to educate one of the most deserving, if least informed, portions of our people upon the subjects submitted in the report.

(8) It does not yet appear to what extent the companies con-

tributing to such a fund, as proposed, will control the nature of the copy or selection of the publications and the direction of the expenditure nor what effect it would have on public opinion which the public learns that such a course of publicity has been adopted through combination, but not, so far as yet appears, in restraint of trade. And this point is of greater consequence in that it has been intimated that in time a bureau of that kind may become part and adjunct of the Presidents' Association "or a bureau separate from any other body."

(9) Our company has a by-law now in force which obliges the President to supervise all advertisement of its business, and it is doubtful if we could, without action of the Directors, authorize expenditure represented by a form of advertisement which could not directly control.

(10) Finally, we feel, in the absence of more definite information and conclusive evidence that this plan should be immediately adopted, that it ought to have vastly more discussion by the life insurance managers themselves. It is a very serious subject to propose of because of the things to which it may lead, and it should not be adopted without the utmost study of what it means and whither it will tend. We also are obliged to believe, in view of the independent position which our company has thought it advisable to hold in all transactions of its affairs and its existing freedom from all combinations of any kind, that it is prudential to withhold its assent to even a proposition of this nature, not on account of its cost per se nor through want of a profound wish to operate with the life underwriters of the country, but because, first, we question the general advisability of its adoption, and, next, that it is best to advise the conservation of each company's independence, and individuality in all matters of this kind company's opportunities and needs.

Yours very truly,

Signed.

President.

After the foregoing letter was received, on the 22nd of July, a telegram was sent to the writer and reply received, copies of which are here produced:

Understood from first communication your letter to favored advertising. However, your communication is splendid and exactly what I have been trying to get for three years. Just in midst of preparing convention report and address at San Francisco. Will you permit friendly and dignified answer to your letter under deadly parallel, paragraph for paragraph for reading or oral citation upon floor of convention and distribution in printed form? Or if insistent that your name be withheld, will you consider use of copy withholding authority breach of ethics? Believe tremendous good will result from answering each point in your communication. Be assured nothing belligerent will creep into reply.

(Signed)

W. M. HORNER

WARREN M. HORNER, Chairman, Minneapolis, Minn.

Have received your wire here. You may use letter according to your judgment but withholding my name and Please send me copy of what you say or publish.

Signed.

President.

THE ARGUMENT

DEAR ———:

1. The other day you wrote me in reference to the Company's position in regard to the subject of the impersonal advertising of life insurance brought forward by the resolution of the National Association of Life Underwriters, as per page 110 of its 23d Annual Proceedings, since endorsed by many local associations. Some of these had brought their conclusions to our attention and all these in turn have had consideration and acknowledgment.

2. We have not found it possible here to date to endorse this movement for reasons which will be stated in the course of this letter, but not, you will understand, from the slightest want of respect for what life underwriters desire or think desirable in the furtherance of their profession and the life insurance business.

3. The Memphis resolution of 1912 was originally introduced by Mr. Warren M. Horner, of Minneapolis, was referred to the Executive Council of the Association, reported back to the Executive Committee and by said committee approved "in order to report it to the convention." We concur, with perhaps a single exception, in the various preambles to the resolution, as per page 109 of the report. The possible exception open to debate is that "the comparative newness of the system (referring to life insurance) and its rapid growth has prevented a proper understanding of the importance of the business both in its relationship to the public and as a vocation." That is perhaps true in failure on the part of the general public to appreciate the fundamental influence of the life insurance institution upon financial credits and exchanges and upon social, educational and moral values, while the business as a vocation has for some time under

MR. HORNER'S REPLY

1. All associations now have, either actually or tentatively with one exception, endorsed the plan, and the agents everywhere are for it. Over forty associations have raised funds and many are publishing local institutional copy. Funds could be raised in practically every association if more systematic effort were directed to this end.

2. It is comforting to have this statement from such an able officer of a prominent company; that is, the evidence of consideration for field men.

3. The expression of Mr. Charles W. Orr, the then chairman of the Executive Committee, was merely his manner of informing the Convention that the Executive Committee had at a specially called meeting, passed upon the resolution and give it an orderly presentation to the convention in keeping with the rules thereof.

The facts are that the resolution was presented before the Executive Committee, referred by the Executive Committee to the Council, and approved by the Council after some slight changes made by the author, assisted by Mr. Henry J. Powers and Mr. Ernest J. Clark, and sent back to the Executive Committee, which convened and passed the resolution without dissenting voice or vote.

"Failure on the part of the general public to appreciate the fundamental influence of the life insurance institution upon financial credits and exchanges and upon social, educational

The Manhattan Life

T. E. LOVEJOY, President

Old Fashioned General
Agency Contracts.

JOHN F. ROCHE, Vice-President

(The Argument, continued.)

personal selection of educated men been inviting the attention of "high ethical standards and ability."

4. The question remains whether by impersonal or what is called non-partisan advertising the results can be obtained which are claimed for the scheme, and that question, I admit, cannot probably be answered finally except through trial.

5. The resolution passed at the Memphis convention reads as follows:

"Resolved, That the president of this association appoint a committee of five with power to confer with like committees of any other insurance bodies to devise ways and means for greater publicity in Life Insurance, for some non-partisan campaign of advertising and conservation, and for a concerted movement to inaugurate a campaign of education through lectures or addresses and through a more general adoption of educational opportunities for the younger generation.

"Resolved, That the adoption of this resolution carry with it the power to act on any plan approved by the Executive Council of this association, whether in conjunction with such other bodies or an independent movement inaugurated by this association."

6. It was passed without debate in convention except by Mr. Horner, of Minnesota, and Mr. Wilson Williams, of Louisiana, who in substance expressed brief opinions to the effect that there was need of "constructive salesmanship, constructive advertising and constructive publicity," that enduring results would be had "if an organized movement is carried out which brings the three contracting interests, the people and the companies and the agency forces, in close relation under some unified plan," and that the association "should take steps through an aggressive committee of determined men to induce high schools, colleges and universities to encourage special courses of instruction in our profession." The quotations are from the two speeches made subsequent to the adoption of the resolution.

(Mr. Horner's Reply, continued.)

and moral values," is the reason this movement was started and why the agents who are constantly in touch with the people in the field are so enthusiastic for it.

While the "personal selecting of educated men" has been responsible for an improved condition, the evolution is too slow.

Two conditions exist that are deplorable: (1) The agent the modern, ethically and intelligently fit agent, lacks business and social caste. This is a practical educational and advertising problem. (2) There are still altogether too many agents selected who are neither ethically nor intelligently fit to transact the life insurance business. This is an Education and Conservation problem to be handled through its Department of Legislation, and also a subsidiary matter of standardization.

4. Yes, that is true, as in all things untried. However, this letter was written over two years ago, and local campaigns have already proven successful.

Local campaigns, as compared to a master national campaign along the lines outlined from the start, are:

"As moonlight unto sunlight, and as water unto wine."

Furthermore, we should not lose sight of the fact that the most reliable experts on advertising have endorsed the idea. They cannot favor it for any temporary gain. It would be a heavy blow to advertising in this country, where advertising stands the highest of any place in the world, to have this institutional campaign launched and proven impractical.

Had we published the article, "The Greatest Thing in the World," in one issue of the *Saturday Evening Post*, the effect all over the country would have been electrical, and it is not too late to do this to open the eyes of the insurance fraternity, as well as the laymen.

5. It is certainly gratifying to see with what thoroughness and comprehensiveness this letter was written, from the analysis of the resolution, quotations therefrom, and comment with regard thereto.

6. It was not unusual that debate was not entered into upon the floor of the convention. Most of the stalwarts who have been prominent in National Association affairs for years, and who have much to do with the conduct of each convention, were familiar with the resolution before it was read upon the floor of the convention.

Chas. Jerome Edwards, twice president of the National Association, who spoke for the resolution in the Executive Committee, called for some elucidation by the author of the resolution, and Mr. Williams was called upon, because of having some similar ideas in mind. Mr. W. M. Scott, of Philadelphia, moved its adoption.

It is admitted that the resolution and all it comprehended was a big job, and somewhat revolutionary, but the silent acquiescence and subsequent almost universal support from agents, would tend to show that a large majority of those present at Memphis were glad to see such a movement take definite form.

It is not impossible that the expression "Constructive salesmanship, constructive advertising and constructive publicity" was accepted as the whole case because those six words, with the idea of education in mind, give the real needs of the business as adequately as can be put in sixty, six hundred or even six thousand words.

Over Half a Century's Benefaction

(54th Year)

GEO. E. IDE, President

THE

HOME LIFE

Insurance Co. of New York

Has paid to Policyholders and their Beneficiaries since organization in 1860 over

\$53,000,000

And now holds in Admitted Assets over

\$30,000,000

a total of

\$101.60 for Every \$100 in Premiums Received

Its gain in Insurance in Force during the past 10 years is 61.4%; its gain to Insurance Written in 1914 is 31.4%; its ratio of Actual to Expected Mortality during 1914 is 66.98%; its Surplus Earnings to Premiums since 1860 is 14.96%; and in 1914 14.11%; since 1860 the Dividends Paid to Policyholders amount to 12.36% of the premiums received, and in 1914, 13.83%.

**A Conservatively Progressive Company Issuing the
Most Desirable Forms of Participating Insurance**

For Agency apply to

GEORGE W. MURRAY, Superintendent of Agents

HOME OFFICE: 256 Broadway, N. Y.

(The Argument, continued.)

(Mr. Horner's Reply, continued.)

7. The committee appointed consists of Mr. Warren M. Horner, of the Provident Life and Trust in Minneapolis; Mr. E. A. Woods, of the Equitable Life Assurance Society in Pittsburgh; Mr. L. L. Hopkins, of the Union Central in New York City; Mr. T. C. Thompson, of the National in Chattanooga, and Mr. Jules Girardin, of the Phoenix in Chicago. This committee has issued a circular "to the officers of the leading life insurance companies of the United States," in which the claims were advanced that agents over the country everywhere endorse it and "*especially a campaign of non-partisan educational advertising.*" They advise for that purpose an expenditure of \$100,000 in the year 1913, to be derived from an assessment of five cents per thousand of paid-for business from a majority of the thirty largest companies in point of assets reporting to the New York State Department, to be paid to Edward A. Woods, Treasurer, of Pittsburgh, and to be disbursed for non-partisan educational advertising in 1913 "on the authority of the Executive Council of the National Association of Life Underwriters and a committee of five to be appointed by the companies." We have not subscribed to this agreement, of which find printed copy herewith.

8. The claims for the proposed advertising campaign have been clearly set forth by the committee and are so important to a consideration of the subject that the paragraph is quoted in full:

"The committee believes from its investigation that the campaign proposed is advisable because: (1) It will educate the public as to the benefits of life insurance; (2) it will give them valuable information in the matter of selection of policies; (3) it will cure to a large extent the unnatural and unnecessary aloofness upon the part of the public toward life insurance and the life insurance agent; (4) it will give the public valuable information in regard to taxation and insurance laws; (5) it will aid materially in the matters of (a) conservation of insurance written, and (b) in the conservation of health; (6) it will result in better service all along the line to the public, the companies and the agents, and result in raising the standard of the whole agency system; (7) when this campaign is thoroughly launched the agents will find it twice as easy to sell insurance; (8) it will make dollars spent for partisan advertising bring far greater returns; and, finally, (9) it will result in a permanent bureau of great and lasting benefit to the whole institution of legal reserve insurance, and (10) this bureau can become a part or adjunct of the Presidents' Association or a bureau separate from any other body."

9. The purpose of reviewing this subject matter in this form is not to annoy you with a long communication, but to fix the discussion in our minds and for possible reference hereafter. It should be added that other suggestions have been made, as follows: (a) That the articles should be printed in the leading dailies of about thirty of the largest cities, with use of the *Saturday Evening Post* and "possibly one or two other publications of a similar nature;" (b) that

The Official Proceedings of the Convention at Atlantic City, a year later, disclose that there was no lack of support by the stalwarts in the Convention—such men as Edward A. Woods, Darby A. Day, Chas. Jerome Edwards, Ernest J. Clark, H. H. Ward, Jules Girardin and many others speaking in favor of the plan.

A business man, occupying a high position in a large corporation that transacts an international business, and whose profits run into the tens of millions of dollars, strayed into the Convention at the session devoted to this subject, and came to the chairman of the Education and Conservation Committee after adjournment and said that never had he seen a convention of so many people exhibit so much interest in and enthusiasm for a business proposition.

There has never been any reason to doubt the genuineness of the endorsement displayed at Atlantic City with respect to the unanimity of opinion among leading agents of the country.

7. Infallibility has never been claimed for suggestions made for getting this movement under way. Earnest hope was entertained that recognition would be made by the companies as a whole or through the Presidents' Association, and a committee appointed for counsel and co-operation.

Able man throughout the entire official staff of the National Association, and many others not upon the official staff, tried to arouse, during the first year, a co-operation, or at least recognition.

When this recognition and co-operation were not forthcoming, those most active in the movement, believing in its efficacy and necessity, deemed it advisable to continue to carry forward the work as best they could, abiding the time when the companies would see the light.

There is substantial evidence that the companies are now seeing the light in their oral and written testimony. Many of the latter have only recently been received in response to the pamphlet written by Mr. Everett M. Ensign, on "Institutional Advertising as Applied to Life Insurance." These letters are not just courteous acknowledgments. A large majority express approval and many pledge co-operation.

8. It is with more than ordinary pleasure that this quotation from the letter to the presidents is given in full because no man with the unusual intelligence of the writer of the letter which is here being answered, would go to the trouble of culling this important paragraph from the communication of the committee to the presidents, without recognizing the comprehensiveness and stability of the platform laid down by the National Association of Life Underwriters.

Further, it visualizes the fact that the National Association was interested in a comprehensive campaign of education and conservation and not in any sense in an advertising propaganda, only in so far as would promote the various education and conservation measures.

Claim has been made from the start that increased sales would result from engendering a better state of receptivity on the part of the public through a broad campaign of education rather than by just advertising for patronage.

The bureau as forecast in subdivision nine of this paragraph is now a reality and giving agents over the country splendid service, and its work and usefulness only just begun. The suggestion that the bureau could become a part of the Presidents' Association was made to show willingness to give the companies opportunity for co-operation and voice in what was done.

9. Advertising experts of the very best standing interviewed the committee, coming from all over the United States; and, as a starter, this recommendation was deemed the best that could be made. Many managers of publications who could not receive any immediate benefit—that is, those who were not included in the recommendation—endorsed the idea.

The committee felt that some recommendation, susceptible

Renewable Term Insurance

Amid the changes and chances of life, men often meet contingencies which call either for *temporary insurance* or for the largest amount of insurance protection for the time being at the lowest possible cost—insurance which later on they will desire to continue on permanent plans. These contingencies, to give but a few illustrations, include the need of insurance to cover

A mortgage on real estate;

Money borrowed for business purposes;

Responsibilities (family or otherwise) assumed by young professional men who are just making their start and who most need protection pending permanent establishment in their practice;

The debt (too often unacknowledged) of young men to parents of modest means who have given them their college education. Every young man who owes this debt to parents should carry insurance for their benefit from the moment he becomes self-supporting, so that if he meets an untimely death their investment in him will be protected, and provision made for their later years;

The obligation many men possess toward a dependent mother, sister, or other relative.

For such purposes Term Policies are especially designed. They are issued at an annual cost so low as to place them within the reach of all. They are of peculiar value because they may be adapted later on to the needs of the insured as disclosed by the future.

They may be renewed from term to term at a low rate, if what is needed be a continuance of temporary low cost protection, or they may be converted without examination into any regular permanent form of insurance.

This conversion may be made on very favorable terms through dating the permanent policy back to the original date of the term policy, and getting credit for all term premiums paid, thus placing the insured in the same position as if he had taken the permanent policy in the beginning.

Every man who needs insurance protection but who feels he cannot at the moment pay the premiums required for the regular insurance, should have an opportunity to examine a Term policy. Columbian National Term Policies with their low current cost, and liberal provisions for renewal or exchange to regular forms, are issued for

A Ten Year Term, renewable on term plan or convertible to regular plans without medical examination within seven years.

A Fifteen Year Term, renewable on term plan or convertible to regular plans without medical examination within ten years.

A Twenty Year Term, renewable on term plan or convertible to regular plans without medical examination within fifteen years.

The rates per thousand for these policies at the ages stated are as follows:

Age	10 Year Term	15 Year Term	20 Year Term
20	\$9.66	\$9.85	\$10.07
25	10.08	10.36	10.71
30	10.69	11.13	11.70
35	11.65	12.39	13.45
40	13.28	14.64	16.47
45	16.25	18.64	21.63
50	21.63	25.51	30.09
55	30.71	36.73	43.13

THE COLUMBIAN NATIONAL LIFE INSURANCE COMPANY

BOSTON, MASSACHUSETTS

ARTHUR E. CHILDS
President

WILLIAM C. JOHNSON
Vice President and General Manager

(The Argument, continued.)

the articles should appear weekly or bi-weekly, according to the space used; and (c) there were special circulars sent out by Chairman Warren M. Horner suggesting a series of lecture courses (especially applicable to advanced post-graduate and college work) and announcing the preparation of a textbook "to meet the situation in life insurance in public schools."

10. In the short statement which I shall make on the subject as to our position I wish at once to emphasize in the strongest manner the fixed and unchanging belief in the general agency system, its conclusive objection to all rebating, twisting and misrepresentation, its most hearty endorsement of every plan by which the amenities of the business between companies and agents will be advanced and the adoption of every possible method by which public opinion may be properly and effectively educated on the subject. We find, however, in this proposed plan of impersonal or non-partisan advertisement some objection, to the absolute relevancy of which we do not hold, but which we submit as a reason of merit for not immediately subscribing to this commitment, if at all.

11. A non-partisan advertisement of life insurance, that is, of its principles and social values, as well as practice, upon the doctrine of its vast present service to society and to states and nation, should imply the existence of a condition which would lead the great papers and magazines of the country to admit that subject to the same news and editorial consideration which other economic, political and financial questions receive. The business by virtue of its size, its extreme daily activity, is entitled to a frequent discussion of its principles, its practice and its service without paying for their exploitation as advertisements. That is a duty which the press owes to the country at large and upon the discharge of which it has never adequately entered at any time.

12. Such non-partisan publicity probably means non-mention of any particular company or comparative plans of insurance, but such copy possibly would not do justice to the actual facts or tendencies of the business without honestly discussing systems of life insurance, making just distinctions based upon the facts of experience and of probable future experience between mutual and stock companies, between level premium and assessment companies, and between all these systems and fraternalism.

(Mr. Horner's Reply, continued.)

to enlargement and expansion, should be included in the recommendation to the companies. However, criticism would be bound to follow any recommendation or specification made in advance.

The reasoning as advanced by some that all publications must be used in any campaign of advertising, whether educational or commercial, is unsound.

For this reason, although urged in various quarters from time to time to publish a budget or specifications for a year's campaign, such action has steadfastly been refused. The publication of copy and mediums was and is a matter that must be worked out by a committee of the association in co-operation with a committee from the companies, if co-operation between the two comes to pass.

Just as soon as the committee, with the Executive Council, got seriously to work on this proposition, it was recognized that a thorough and reliable text-book was a necessity, and it is now a reality.

There should have been incorporated the words "and higher institutions of learning," as this has always been the intention.

10. The first sentence in that paragraph and the sentiment back of it should have the profound approval of every man and woman in this convention.

Since the receipt of this letter, two weeks ago, more information has been conveyed to this worthy president of a great life insurance company, and with the openmindedness exhibited in the closing sentence of this paragraph, may we not hope that both moral and financial support will come in due time, unsolicited?

11. The question of co-operation of news media of various kinds was answered comprehensively upon the floor of the convention at Cincinnati, and any one interested in this campaign, by referring to the official proceedings of that convention last year, will understand why we have not had the co-operation that we are entitled to receive, and why we will never get it until we do our part.

The insurance business has lifted itself in this regard by its bootstraps; the question is, shall we continue the bootstrap method or start to climb the ladder?

12. Most emphatic dissent is taken to the suggestion contained in this paragraph as to the discussion of the plan of company organization. If a company has a right to do business upon the legal reserve plan, that company should be recognized and be in co-operation with this movement, paying its bill and reaping its reward.

A rational handling of the matter of federal control or uniform state control through the Department of Legislation, if sufficient co-ordinating of forces is effected, will solve the problem of the unworthy.

There has never been any thought in the minds of those back of this movement to discuss technicalities; but, on the other hand, to visualize the great economic and beneficent value of life insurance and get into the minds of the people the fact that it is not just death insurance, but that it is the greatest institution for systematic thrift, and in very fact the conservation of human life, "The Greatest Thing in the World."

The law of compensation, as the survival of the safe and sound and deserving, will take care of the question of assessment and fraternalism as applied to the system of life insurance.

The public have already, consciously and sub-consciously, seen the handwriting on the wall.

All companies doing business upon the full legal reserve

The Canada Life Aim: Increased and Better Service

The Canada Life management studies to extend and broaden its service to the policyholders, while constantly aiming at increased efficiency.

The extension of the automatic non-forfeiture privilege to its older policyholders is one of

Six Important Concessions

recently granted them.

For sixty-eight years the Canada Life has been conducted along the lines of conservative progress. The new business written is increasing from year to year, while the amount of surplus earned, (the real test of successful management,) has been greater in each of the past six years than ever before in the company's history.

HERBERT C. COX,

President and General Manager

(The Argument, continued.)

13. If, then, the publicity contemplated cannot be non-partisan fairly as to systems of life insurance, it cannot be so as to companies unless the intent is to disclose their asset and insurance composition, their practice, etc., as being matters of the highest importance in selecting any company or any policy, and to do so in a manner which will discriminate in favor of the companies of age and strength, since their selection, of course, would best conserve the interests of individual members of society.

14. But if that be not done, there stands a suggestion of educating the public in principles which are just as likely to be construed in favor of other companies than the ones which have contributed to the campaign, and, if so, why should the expense be limited to or assumed by a few out of the large total of companies reporting to the New York Department of Insurance?

15. The advertising must be impersonal as to both system and company in order to make it what is called non-partisan, but in that case it must also take on a lack of true instruction and honest publicity, which fact will manifest itself at once in both an actual personal solicitation and in cases of competition.

16. Besides, it is fair to suggest the question why solicitation itself should not also be non-partisan as well as the advertisement of the business as a whole. The reply, of course, is that it is impossible; especially where comparisons and special pleadings are found to be essential to a sale.

(Mr. Horner's Reply, continued.)

plan should be able to co-operate in an institutional campaign, considered in the light of their perpetuity and net cost.

13. As stated before here, and over and over again during the last three years, it is only necessary to educate the people in the general fundamentals of life insurance, and standardize the methods of appointing, licensing and training agents, and the matter of company selection will adjust itself.

This whole movement of education and conservation is one of evolution; but it is entirely impossible to equitably distribute cost and patronage at the start, or ever entirely. However, in the logical evolution of this centralized action there will be rapid strides made in elimination of the weak and undesirable company and agent.

Furthermore, the trademark here on this chart is a badge or credential which is going to be harder to get with each succeeding year. No assessment, fraternal or stock-jobbing agent will ever wear that emblem.

There has never been any intention to publish assets. Too much money has been wasted already doing that.

The business of life insurance will more and more approach the clientele basis. You will never do away with the service rendered by the agent in personal contact with the assured.

The mail order or paternalistic scare has proven a myth already, and will disappear entirely with our marshalling forces. Not by iniquitous combination, but by erecting an institution so efficient in service and so clean in morals as to make it impossible for anything outside to successfully meet or combat its usefulness to mankind. "In union there is strength" is not a mere platitude.

14. Ingersoll said: "I have great faith in the judgment of the whole mass of people." Give the people the maximum of service with minimum cost in keeping with the service, and adequate education of fundamentals, and work toward a goal of enlightened uniform laws, and they (the policy-holders) will exercise a reasonable intelligence in the matter of selection.

There was a reason for limiting the number of companies, and inventing this trademark.

15. There is an abiding conviction that in the last analysis it will be found that a committee made up of the members of the Education and Conservation Bureau of the National Association of Life Underwriters, in co-operation with five or seven individuals appointed by the leading companies, can, under guidance of an expert advertising agent, agree upon institutional copy that will be acceptable to all, with regard to the education and conservation measures enumerated here on this chart.

(The chart referred to, which hung in the Convention Hall, had upon it "Education, Conservation of Insurance, Health Conservation Legislation, Taxation.")

It is believed that such action will cure the unnatural and unnecessary aloofness towards life insurance and the life insurance agent; that it will result in better service to the policy-holders, and enable the companies to save millions of dollars in giving this better service over what possibly could be accomplished by working as separate equations.

It is useless to estimate the saving to policy-holders and companies in the one item alone of conservation of insurance (lapse). In any event it would be enormous.

It is not the thought, neither is it believed, that the canvassing agent will have taken from him his enthusiasm for the company he represents.

It is believed that an agent's supremacy and permanency in the business are predicated on a just enthusiasm for the corporate entity he serves, bulwarked by an all-powerful belief in the ramifying influences of sound life insurance.

16. The lawyer and the doctor and those engaged in other fields of endeavor, who build up a clientele, do so, not by invidious comparisons, but by a high order of approach, conveying the impression that the service they render is of a superior nature.

It is this method, enhanced by the ability of the life insur-



Many Agents Do Not Know

THAT an Old Line company was organized on the Pacific Coast as far back as 1868—The Pacific Mutual Life Insurance Company of California.

THAT, west of the Atlantic seaboard, there are only two other companies in the United States which now have a larger volume of business.

THAT the Pacific Mutual is the only company with age, experience and large resources behind it that is located on the Pacific Coast, a vast empire of great and largely undeveloped wealth and almost unlimited possibilities.

THAT notwithstanding its age the mortality of the Pacific Mutual is very low—59.73 per cent in 1914.

THAT the Pacific Mutual earns a high rate of interest on its investments—the average rate in 1914 was 6.23 per cent.

THAT the Pacific Mutual has a clean and honorable record behind it.

THAT for the reasons just stated, the Pacific Mutual appeals strongly to thoughtful agents and the insuring public.

THAT it will pay those who are considering a change of companies to look us up and get acquainted.

Home Office, Los Angeles, California



(The Argument, continued.)

17. The selection of a few papers may be found to be unfortunate, since there will be many others which will wish to participate in the advertising patronage, while it is also true that the proposed elimination of what might be called the country press will involve failure to educate one of the most deserving, if least informed, portions of our people upon the subjects submitted in the report.

18. It does not yet appear to what extent the companies contributing to such a fund, as proposed, will control the nature of the copy or selection of the publications and the directions of its expenditure, nor what effect it would have on public opinion when the public learns that such a course of publicity has been adopted through combination, but not, so far as yet appears, in restraint of trade. And this point is of greater consequence in that it has been intimated that in time a bureau of that kind may become part or adjunct of the Presidents' Association, "or a bureau separate from any other body."

19. Our company has a by-law now in force which obliges the President to supervise all advertisement of its business, and it is doubtful if we could, without action of the directors, authorize an expenditure represented by a form of advertisement which we could not directly control.

20. Finally, we feel, in the absence of more definite information and conclusive evidence that this plan should be immediately adopted, that it ought to have vastly more discussion by the life insurance managers themselves. It is a very serious subject to dispose of because of the things to which it may lead, and it should not be adopted without the utmost study of what it means and whither it will tend. We also are

(Mr. Horner's Reply, continued.)

ance agent to go out and seek patrons, that will win the best in the long run, and this method has been proven by strong men in the business all over the country.

These men, and those who emulate their example in the future (aided by the Education and Conservation Bureau), with a reasonable elimination of the spurious company and agent, will do immeasurably more in this direction in the years to come.

"Special pleadings" should be very largely confined to the excellencies of the company that the individual represents, plus the advantage of life insurance in its amelioration of mankind.

17. As stated before, no advertising campaign, no matter how broad in conception or practice, needs to patronize all media.

The agriculturists and those in rural communities have always been in the minds of those urging this campaign. Investigation shows that all well-to-do people in rural communities, including the farmers, take one or more leading dailies, and an interlocking circulation can be effected by the means suggested in the letter to the companies.

However, there was always the intention of extending the campaign into farm journals and women's magazines, and possibly the country press. Only time can determine the extent of this expansion.

18. It was not possible over two years ago, and it is not now feasible, to suggest just what plan can be worked out in co-operation between the companies and the National Association of Life Underwriters, until full conference and counsel is forthcoming. However, the expression was used as an adjunct of the Presidents' Association, or a bureau separate from any body then in existence, because so many strong, influential companies were not members of the Presidents' Association. The purpose was not to offend by stating a plan too definite, but merely to make a suggestion out of which could grow some practical working arrangement.

Of course, the statement with regard to the people being excited over a combination is a rational one and a debatable question. However, it is reasonable to suppose that intensive cultivation along the lines proposed will so benefit the people in both service and cost of insurance, and make the life insurance business so efficient in accomplishment and so clean in morals, as to forestall any criticism in this direction.

The people are not unduly interested in any world movement, when once given reasonable evidence that they are getting their money's worth, and not being tricked by round-the-stump methods.

19. Of course, it rests with the President of any company or his board of directors, in regard to the authorization of such an expenditure, and it would not be respectful here to do other than endeavor to show that a saving, rather than an increased outlay, would be the result, and a betterment of the condition of the company and its policy-holders and agents, and a drawing together in a legitimate community of interest of these three contracting parties.

No less a person than Jesse R. Clark, President of the Union Central, at a meeting last March in Cincinnati, when called upon after hearing an elucidation of the Education and Conservation Bureau, said:

"When this movement started, I thought it was an ideal, and tonight I sat here and listened to this explanation and said to myself, 'Yes, it is an ideal, but it is an ideal that is being realized.'"

Mr. Clark also gave some very good suggestions with regard to the use of the Trade Mark.

20. The closing paragraph of this letter is, as is every other paragraph, an eloquent testimonial of the great ability and openmindedness of the writer; and the deepest regret is felt that the letter did not come to light when it was written, two years ago last March; for only good could have grown out of a dignified discussion precipitated by such a communication and others of a similar nature then and since the National Association took up this great work.



(The Argument, continued.)

obliged to believe, in view of the independent position which our company has thought it advisable to hold in all transactions of its affairs and its existing freedom from all combinations of any kind, that it is prudential to withhold its assent to even a proposition of this nature, not on account of its cost *per se* nor through want of a profound wish to co-operate with the life underwriters of the country, but because, first, we question the general advisability of its adoption, and, next, think it best to advise the conservation of each company's independence and individuality in all matters of this kind according to its opportunities and needs.

MR. HORNER'S CONCLUSION

In a communication issued sixty days after the Memphis Convention, the statement was made and circulated broadcast as follows:

"There is nothing in this movement antagonistic nor disrespectful to the companies or their officers. All right thinking men in the field admire the ability, and love the personalities of the officers of their own companies, and have great respect for the officers of other companies with whom they come in contact.

"It is a greater spirit of helpfulness and co-operation from these able men that we are seeking.

"The field men believe that this is a constructive campaign and that conditions are ripe for its inauguration now.

"They also feel that it is a campaign which should properly originate from the outside where contact with the public exists, rather than from the inside by those who do not come in contact with the public.

"The field men do not claim to be superior to the Home Office in those things which are rightfully and wholly Home Office matters.

"They do, however, feel that they have a right to suggest about those things which must of necessity, be predicated upon field experience."

Now, finally, attention is called to the fact that the last three years able editorials and much information have appeared in the Life Association News, with regard to the

(Mr. Horner's Reply, continued.)

The statement is made again that those who have worked the hardest for the fruition of the Education and Conservation Bureau, entertain a profound belief that the co-ordinating of forces on general fundamentals in the life insurance business will tremendously enhance life insurance as an institution in the minds of the people; and that in proportion as the institution as a whole rises to a higher level, so will be lifted each company, and that no company or agent, working as a separate equation, will lose independence or individuality; but in very fact all those who have a rightful place in the insurance world will gain by the process.

Education and Conservation Bureau, numerous pamphlets have been issued, and the official proceedings at Atlantic City and Cincinnati contain important comment covering the subject. Those who are genuinely interested in the proposition can be supplied by Mr. Everett M. Ensign at Headquarters of the Association in New York, who will supply these documents or give answers to any questions that may be propounded.

The movement is a reality. It has gone too far and taken too strong a hold upon field men, to not go on and on in some form. Therefore, the recommendation, as contained in the closing paragraph of the letter of this most estimable gentleman, that the "fullest discussion should be had," should be carried out, to the end that the fullest co-operation will result.

In the words of Mr. Norval Hawkins: "Life Insurance is a product of an advanced civilization. To-day there is no subject of such importance to the people, and to the future of the state, regarding which there is so much popular ignorance.

"It has never been properly put before the public in a plain, understandable way, either through its representatives or by advertising.

"Its benefits should be taught in the public schools. I am surprised its story does not invite us from every newspaper and publication in the land."

WARREN M. HORNER.

EDUCATION AND CONSERVATION REPORT

Committee Recommends that There Be No Chairman In Future and the Appointment of Seven Department Heads Instead.

(Owing to lack of space and the fact that this subject is discussed at length in other parts of the issue, Mr. Horner's report is not published in full.)

Since the convention at Cincinnati, the Education and Conservation Movement has taken more definite form, and a number of things have happened and progress been made to warrant more united support in the future, to carry out the plans which were embodied in the resolution introduced at Memphis three years ago.

At the meeting of the Council in New York, December 12, 1914, the committee recommended that the Association establish a bureau, in line with former recommendations and predictions, in charge of a secretary for the purpose of expediting and systematizing the work.

This report enumerated the different specific duties of the secretary which have been printed in the *Life Association News*, and are listed in the pamphlet which those in attendance at the convention will receive, entitled "Institutional Advertising as Applied to Life Insurance."

These duties embrace a somewhat extensive campaign, and it was not presumed, no matter how large the financial support secured from companies and agents, that all the things enumerated could be put in operation at once.

At this same meeting, the Council approved the human interest story, "The Greatest Thing in the World," which ap-

peared in the prospectus of the advertising campaign presented to the mid-year meeting of the Executive Committee a year ago last April.

A Recommendation

It is recommended that the human interest story covering the matter of borrowing on policies and the one on taxation, also, be approved.

The Bureau, as yet, has not paid for the human interest story, "The Greatest Thing in the World," and it is not necessary to pay for this now, or the other copy, as just mentioned, provided they are used as advertisements by the Association, and through the advertising concern, The Mitchell Advertising Agency of Minneapolis, who, with the copy-writer, in co-operation with the committee, were responsible for their existence.

In this connection, your attention is respectfully called to the fact that this advertising company, to whom sole credit must be given for weaving around the phrase coined by the committee, "The Greatest Thing in the World," such a magnificent trade-mark, has never had one cent of compensation or remuneration for this service or the many other acts of co-operation with the committee, other than to be reimbursed for cash outlay for mechanical work and printing. This is also true of the prospectus issued last year.

It is impossible to estimate the value in the future to this Association of the trade-mark, and credit is clearly given here that in the evolution of the Education and Conservation Bureau, it will not be forgotten.

Agents and Brokers Representing the Travelers Possess Great Advantages

Life Insurance

Our Guaranteed Low Cost Life Insurance Policies guarantee every figure and eliminate all uncertainties. They contain a disability clause by which in event of permanent total disability before age sixty, the policy immediately matures for the full value by the payment of a guaranteed income to the disabled insured.

That the merits of this form of life insurance appeal to business men is evidenced by the fact in the percentage of increase during the last five years The Travelers stood second among all the leading life insurance companies in the country.

Our Accident and Health Policies

are famous the world over for their broad coverage, prompt payment and fair spirit of adjustment.

Our Compensation and Liability Policies

afford the most complete coverage and afford a service of inspection and safety engineering for the prevention of accidents the most efficient in the world.

The agent and broker who can supply these several needs possesses the broadest and most remunerative field for his efforts. One aids the other.

Moral: Represent

The Travelers Insurance Company
HARTFORD, CONN.

There was also approved at this meeting copy of contract for use of the trade-mark.

The retiring committee does not want to embarrass the incoming administration with too positive recommendations with respect to the use of the trade-mark, but earnestly counsels that either at San Francisco or at the inaugural meeting following, this matter be taken up and settled definitely. Also, the matter of accepting contributions from non-members.

Stop Free Publicity

When the bulletin was started, there was syndicated a number of stories for the Sunday supplements of the leading dailies throughout the country. We secured a splendid amount of publicity in this way, but the American Newspaper Publishers' Association soon passed the word to its subscribers and further publication ceased. This fact but proves the contention often made the last two years, that paid-for space is the ultimate solution of publicity.

You are respectfully referred again to the pronouncement made upon the floor of the convention at Cincinnati in this regard.

Your attention at this time is directed to the increasing sentiment in favor of the contentions made the last three years with regard to the efficacy of an institutional advertisement as a great benefit to life insurance in its various educational and conservational problems enumerated as the work of the Bureau.

The pamphlet written by Mr. Ensign, "Institutional Advertising as Applied to Life Insurance," has brought a surprisingly large number of letters of acknowledgment, many of which display interest and approval, and a goodly number of which pledge hearty co-operation.

Mr. Ensign's editorial in the July number of *Life Association News*, is further substantial evidence of the trend of opinion over the country at this time.

To tell the audiences of motion picture theaters that part of the money they are spending in this direction, as well as money spent for candy, tobacco and liquor and other extravagances, should go into life insurance as a means of protecting dependent ones and safeguarding their own old age, is a rational move, but should not be the means of subordinating the use of printer's ink, which is the all-powerful medium.

One of the greatest difficulties with which the Bureau has to contend, and which has been a drawback to the committee from the start, is the failure upon the part of individuals and officers of local associations, including members of committees, to answer communications and get statistical information with regard to local matters of a general nature before the committee, and information with respect to the specific matter of education and conservation.

The text-book is now in the proof sheet stage, and will be ready for distribution by the publishers at the opening of the incoming educational year.

The small pamphlet here for distribution, giving a brief review and outline of the text-book by Ex-President Clark, who has done such splendid work in behalf of the Bureau in making the text-book a possibility, should be given the widest possible distribution among educators and the laymen as well.

Forty associations have raised funds for the Education and Conservation Movement, many of whom are publishing local advertising. All have given the strongest testimony of the results and sentiment obtained therefrom.

Seven Department Heads

Finally, Mr. President and your Council, the Executive Committee and members of the convention, you are earnestly recommended to adopt the following suggestions:

That for the future there be no chairman of the Education and Conservation Bureau, but that there be a secretary, acting in the capacity which Mr. Ensign has filled so admirably the last few months. That the Bureau be made up of seven members under the title of department heads, appointed solely with respect to their peculiar fitness for the work embraced in their department. That there be a Department of Education; Department of Insurance Conserva-

tion; Department of Health Conservation; Department of Legislation; Department of Taxation; Department of Lectures and Addresses, and Department of Institutional Advertising.

The suggestion has been made that there be added to these departments a Department of Standardization.

I believe this would be an error and would be regretted, as it might lead to individualistic attempt to control of ethical standards which would be dangerous.

The committee has not lost sight of the work and influence of the Bureau in standardizing the business and raising it to a profession.

The thought is that the Bureau, under the operation of the seven heads as enumerated, will become in very fact the melting-pot of all necessary corrective measures and forward movements in field work. Of course, in respectful co-operation with their superior officers in control of the companies.

These recommendations have been arrived at with good reason back of what is proposed.

There is an interdependent relation in all these things, and to gain the greatest good to this movement and the business they should and must go together. They are the pillars upon which is to be builded the superstructure which is to follow, and the Bureau is weakened and the entire movement handicapped by the separate operation of any department.

Furthermore, neither the National Association or local associations are over-committee-ized.

Not a One-man Job

This, however, is not the whole reason. Experience in all committees shows that one man does the work because of the lack of interest or incompetence of other members of the committee who are usually appointed for personal or strategic reasons.

If you have a Bureau composed of seven department heads, and the president each year feels his responsibility in appointing, there will be seven chairmen, seven workers, seven enthusiasts and resultant effect and accomplishment.

With these statements, your committee begs to be relieved from further duty, and earnestly and solemnly recommends the carrying forward of the work of Education and Conservation by succeeding administrations.

All of which is respectfully submitted.

WARREN M. HORNER, Chairman.

"LIFE INSURANCE"

A TEXT-BOOK

By Dr. S. S. Huebner

Wharton School of Finance and Commerce
University of Pennsylvania

This book is intended for high schools, colleges, in fact all institutions of learning, agency instruction and for the lay reader. It is non-partisan in character, comprehensive in scope, and conspicuous by its intelligent and logical arrangement.

Subscriptions are being received now at \$2.00 a copy.

Everett M. Ensign, Acting Secretary, Education and Conservation Bureau, National Association of Life Underwriters, 56 Pine Street, New York City.

The Minnesota Mutual Life Insurance Company

ST. PAUL, MINN.

Twenty-Seven Millions of Insurance in force
A carefully managed, progressive, growing
Company

The Company is opening new territory
and has exceptional opportunities for a few
good men

Write for particulars

OFFICERS AND DIRECTORS

E. W. RANDALL, President
T. A. PHILLIPS, Secretary and Actuary
E. S. ALBRITTON, Superintendent of
Agencies

C. N. MCCLOUD, Medical Director
WM. D. MITCHELL, General Counsel
JAMES MCINTOSH, Assistant Actuary
T. A. KELLER, Cashier

LOUIS BETZ
Treasurer State Savings Bank
HERBERT H. BIGELOW
President Brown & Bigelow
KENNETH CLARK
Director Merchants' National Bank
ELI S. WARNER
Treasurer McGill-Warner Company
JESSE A. GREGG
President Nicols, Dean & Gregg
C. MILTON GRIGGS
President Griggs, Cooper & Company

FREDERICK G. LESLIE
President F. G. Leslie Paper Company
FRANK SCHLICK
Vice-President and Treas., Field, Schlick & Co.
GEBHARD BOHN
President White Enamel Refrigerator Company
JOHN E. BURCHARD
Farm Lands and Loans
DONALD S. CULVER
President Merchants' National Bank
ALBERT H. LINDEKE
President Lindeke, Warner & Sons

The Minnesota Mutual Life Insurance Company

ANALYSIS OF A SUCCESSFUL AGENT

Special Report on this Subject Read by Edward A. Woods
at Morning Session of Convention,
Thursday, August 12.

This report was unquestionably one of the most interesting features of the Convention. It is conceded by members of the life underwriters' fraternity and the insurance press that these statistics are of immeasurable value and that they will greatly assist in establishing certain standards of agency efficiency.—
Editor's Note.

Early in the past year 2,000 copies of "Analysis of a Successful Agent" were sent out to successful agents throughout the United States, by several methods:

First—The following companies undertook to distribute the respective number of copies to their most successful agents, requesting them to fill in and return the same:

The Equitable.....	300	Penn Mutual.....	50
New York Life.....	300	Phoenix Mutual.....	50
Northwestern	100	Massachusetts Mutual...	50
Travelers	50	Union Central.....	30

Second—They were sent to each life association, requesting from each association a specified number of blanks to be returned by an equal number of their most successful agents.

Of the total number of blanks sent out, 440 filled up blanks and returned them. It is probable that a great many agents did not carefully notice that no name was to be attached to the blank and that it would be practically impossible to identify any answers. Neglecting to notice this, some may have resented the necessarily personal nature of some of the questions and failed to fill in the blanks. Probably a good many other agents did not know themselves the information asked for—indeed, one of the benefits of this analysis to the agent himself was to require him to make some analysis of his own methods.

In some associations the question was not taken up as effectively as it might have been. In others at meetings of a small attendance—and perhaps these not the most successful agents—the blanks were handed around with the request that they be filled in.

Of the 440 replies received, 70 reported earnings of under \$2,500, 41 did not give their average earnings, and nine were received after the digest of the blanks returned was made up. Deducting these 120 from the 440 received leaves but 320, upon which the following abstract is based, as obviously it would be very misleading to digest any incomplete blanks, thereby throwing out the averages, which would then be based on a varying number for various questions.

Three hundred and twenty is obviously too small a number upon which to base ratios, particularly as we have divided, for the purpose of convenience and of making grades of agents, the 320 replies as follows:

Earning \$25,000 per year and over.....	8
From \$10,000 to \$25,000.....	58
From \$ 5,000 to \$10,000.....	111
From \$ 2,500 to \$ 5,000.....	143

While the results even based upon these 320 replies are most interesting and can be made of very great value to officials, general agents and agents, it is suggested that a further attempt, with these facts already secured, be made this year, that the total number of replies actually received be brought up to 1,000. Those filling in the blanks last year need not again make them up; but if the matter arouses sufficient interest, possibly a better method of distributing these by associations will be followed. Obviously the president or some appropriate officer of each association should select the most successful agents in its district, whether members of the association or not, and a personal letter to each should be sent,

particularly requesting prompt attention to filling up the blank completely and calling particular attention to the fact that the identity of the sender need not be disclosed. The blanks need not necessarily be confined to association members, because many agents reside in parts of the field away from the association and perhaps are not even associate members.

It is believed that the analysis of the source, methods, qualities and earnings of the successful agents in the country is not only of value to each agent in making an inventory and review of his own qualities and methods, and being, as a result of this analysis, able to compare himself with other agents in these various respects, but it is perhaps the first step toward discovering the sources, qualities and methods necessary to secure and train successful agents.

Of the number of questions asked, we shall refer to but a few prominent results, that will, perhaps, be of most value and interest. A complete digest would not interest so many, but a copy can be furnished any one interested, upon application to Mr. Ensign. An infinite number of classifications of the blanks could be made for the purpose of analysis, but separating them by earnings, as above stated, seemed to be simplest at the start.

Financial Condition

The financial condition of the 320 is as follows—for typographical convenience we will number the classes as follows:

Class 1.	8 earning \$25,000 and over.
Class 2.	58 earning from \$10,000 to \$25,000.
Class 3.	111 earning from 5,000 to 10,000.
Class 4.	143 earning from 2,500 to 5,000.
Average of the entire 320.	

	Class 1.	Class 2.	Class 3.	Class 4.	Average.
Average annual income	\$31,250	\$14,000	\$6,400	\$3,330	\$7,000
Probable net worth	\$267,000	\$100,000	\$27,000	\$11,500	\$39,000
Class 1. Class 2. Class 3. Class 4. Average.					
Own home.....	7	43	71	84	205
Do not own home.	1	15	40	59	115
Home unmort-					
gaged	6	22	33	26	87
Own other prop-					
erty	8	47	90	85	230
Do not own other					
property	None	11	21	58	90
Unmortgaged	7	36	64	66	173
Life insurance					
carried	\$167,050	\$54,000	\$23,300	\$15,750	\$29,000

This showing as to earnings, income and financial condition certainly shows gratifying possibilities in the insurance business and furnishes a very direct and conclusive answer to any one intending to enter the business who asks what there is in it.

Where They Came From

	Class 1.	Class 2.	Class 3.	Class 4.	Average.
Worked as a boy.	4	44	93	123	264
Did not.....	4	14	18	20	56
Attended college..	5	16	43	50	114
Did not.....	3	42	38	54	118
Had high school					
education	8	39	81	104	232
Had not.....	None	19	30	39	98
Originally started					
in the life insur-					
ance business...	4	12	16	14	46

From What Other Business

Clerical	67
Mercantile and manufacturing.....	62
Salesmen	61
Originally in life insurance business.....	46
Teaching	23
Agriculture	14
Professions	10
Real estate, newspapers and mechanics—each.....	9

THE GERMANIA LIFE INSURANCE COMPANY

OF NEW YORK

Founded in 1860

Under the laws of the State of New York

STATEMENT JANUARY 1, 1915

ASSETS	LIABILITIES
\$50,874,700.88	\$44,459,052.38

SURPLUS AND DIVIDEND FUNDS

\$6,415,648.50

Insurance in force, (Paid-for-Basis) \$150,319,679

☐ Well equipped with up-to-date policies and methods

☐ Free Health Service to policyholders

☐ A modern organization for the Agent who wants to make headway

☐ Liberal Home Office contracts for suitable men

Young men who are ambitious to develop a profitable General Agency of their own will do well to address:—

HOME OFFICE

50 UNION SQUARE

NEW YORK CITY

Other lines of business from which these men came are so numerous that space will not be given to them here except for the total, as showing out of 320 the original sources from which the principal ones came.

How Started

It is significant that the great majority of successful agents, as shown by this classification, started as whole-time straight commission agents, as distinguished from part-time agents or those upon advance or salary, shown by the following table:

	Class 1.	Class 2.	Class 3.	Class 4.	Average.
Started part-time.	2	11	28	29	70
Started whole-time	6	47	83	114	250
Started on straight commission	7	53	94	114	268
Started on salary.	1	3	6	5	15
Started on advance	None	2	11	24	37

Evidently most successful agents burned their bridges behind them and from the start gave their entire time to the business they had selected and had the confidence in themselves to require no backing by way of salary or advance.

The average age of entry into the business was as follows:

Class 1.	Class 2.	Class 3.	Class 4.	Average.
27	26	29	30	29

Number of Other Companies Represented

That the great majority of successful agents do not ramble from one company to another is shown by the following table, showing that 75 out of 320 agents have made but one change, and 191 are still representing the companies with which they originally started:

Class 1.	Class 3.
5 none	57 none
1—I other	39—I other
2—more than 2	15—averaging 3
Class 2.	Class 4.
37 none	92 none
14—I other	21—I other
7—averaging 2½ others	30—averaging 2
Average.	
191 none	
75—I other	
64—averaging 2	

Of those remaining in the business, the following classifications as to whole and part-time men is given:

	Class 1.	Class 2.	Class 3.	Class 4.	Average.
Whole-time	All	52	106	132	298
Part-time	None	6	5	11	22

Where Business Is Secured

	Class 1.	Class 2.	Class 3.	Class 4.	Average.
City	5	30	52	46	133
Country	None	None	2	2	4
Both	3	28	57	95	183

Previously in Life Insurance Business

Those who originally started in the life insurance business but in some other capacity all started in the clerical department—a total of 23. Four of the eight of the first class originally started as life insurance clerks.

Why They Entered the Business

One hundred and ninety-five of the 320 entered the business because of its opportunities; 29 by chance; 14 because of ill health in previous occupations; 44 because they were solicited to take up the business, and 38 from necessity.

The following information as to methods pursued may be of value:

	Class 1.	Class 2.	Class 3.	Class 4.	Total.
Does annual production fluctuate greatly?	2 yes	4 yes	8 yes	16 yes	30 yes
	6 no	54 no	103 no	127 no	290 no

This shows that the great majority of these successful agents do a regular annual business, not greatly fluctuating.

	Class 1.	Class 2.	Class 3.	Class 4.	Total.
Does your monthly production fluctuate?	2 no	35 no	50 no	73 no	160 no
	6 yes	23 yes	61 yes	70 yes	160 yes

Personally Looking After Policy-holders

In answer to the question, "Do you see or personally communicate with your policy-holders systematically?" the following answers were given:

Class 1.	Class 2.	Class 3.	Class 4.	Total.
7 yes	42 yes	78 yes	96 yes	223 yes
1 no	16 no	33 no	47 no	97 no

Percentage of Business Secured from Old Policy-holders

Class 1.	Class 2.	Class 3.	Class 4.	Total.
6 average 62%	Average	Average	Average	Average
2 say not large	40%	37%	31%	35%

Percentage of Cases Written on First Interview

Class 1.	Class 2.	Class 3.	Class 4.	Total.
Average 40%	Average 26%	Average 30%	Average 32%	Average 31%

The question—"Do you have any definite rules as to the number of calls to be made each day?"—the following answers were given:

Class 1.	Class 2.	Class 3.	Class 4.	Total.
2 yes	12 yes	20 yes	44 yes	78 yes
6 no	46 no	91 no	99 no	242 no

Those who try to make a definite number of calls each day state they average eight.

In answer to the question, "Have you regular hours for reporting or commencing work?" the answers were as follows:

Class 1.	Class 2.	Class 3.	Class 4.	Total.
All yes	39 yes	74 yes	96 yes	217 yes
	19 no	37 no	47 no	103 no

The average time given for commencing work in all classes is from 8.30 to 9.00.

	Class 1.	Class 2.	Class 3.	Class 4.	Total.
Do you keep daily records of your prospects?	6 yes	38 yes	70 yes	108 yes	222 yes
	2 no	20 no	41 no	35 no	98 no

	Class 1.	Class 2.	Class 3.	Class 4.	Total.
Do you keep an expense account?....	7 yes	32 yes	63 yes	80 yes	182 yes
	1 no	26 no	40 no	63 no	138 no

In answer to this question, "Considering eight hours per day for 50 weeks, what percentage of your time is devoted to actual life insurance work?"—except in Class 1, where the answer is 88%, the estimate of those answering is that about 75% of time is spent in actual life insurance work; this being, therefore, the gauge of their own efficiency as to time spent.

Two-thirds of those replying stated that they did not have a wide acquaintance upon entering the business.

The amount of business sold carried by notes averages, in all classes, about 40%.

The average amount of policy written varies, as follows:


Class 1.	Class 2.	Class 3.	Class 4.	Average.
\$25,000	\$7,400	\$4,700	\$3,300	\$5,071

Of those answering, 237 out of 320 are now working upon a straight commission basis, 51 upon salary and commission, and 32 upon an advance, the ratios not materially varying in all the classes.

Numerous other questions of great interest are asked, but this summary is sufficient for publication and for those who do not wish to make a detailed study of the complete report.

With data from 1,000 successful agents, a real service can be rendered those giving it and the entire insurance business, both in office and field, and it is hoped that by the time another convention is held this additional data will be forthcoming.

What Attracts a Life Underwriter

HE life underwriter is like the jeweler who sells watches. He stands between the manufacturer—that is, the Company—and the consumer—that is, the insured and the beneficiary. And, as with the jeweler, his profit and comfort rest on the satisfying quality of his goods—that is, on usefulness of policy contract, low cost of insurance, and perfection of service.

Representatives of the Massachusetts Mutual are as happily situated as the jeweler who sells the nationally popular, always reliable, perfect watch. All life underwriters know that our policy contracts are unexcelled, that our net cost is right, and that there is promptness and efficiency in our dealings with policyholders and beneficiaries. A result of these conditions is a volume of business, thus far in 1915, much in excess of that of the same period in any previous year. And therefore our representatives are contented.

There is a "tie that binds" Home Office and Field in the Massachusetts Mutual in a very close relationship. In this organization we are all friendly co-workers—not masters and servants. So will any Massachusetts Mutual man or woman tell you.

This Company is constantly endeavoring to identify itself with the most striking aspect of the spirit of the times—Service! We believe that the right of any business to exist and to succeed is measured by the service it renders. The modern life underwriter holds this view. The Golden Rule is its foundation. And business big and business little is building upon that foundation.

Goods of the finest quality, and at satisfactorily low cost; first-class service of policyholders and beneficiaries; steadily increasing and widening prestige; fraternal relationship between Home Office and Field; identification with the success-compelling spirit of the times:—these are some of the attractions this Company offers to the life underwriter.

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY
SPRINGFIELD, MASSACHUSETTS

Incorporated 1851

ADDRESS OF PRESIDENT HUGH M. WILLET

Executive Presents Interesting Review of Year's Work—
Predicts a Membership of 10,000 for National
Association by 1920

Members of the National Association of Life Underwriters,
Ladies and Gentlemen:

As I traveled across the continent to attend this convention, I was wonderfully impressed with the magnitude and resources of this great country. In looking over this splendid body of representative agents, I am equally impressed with the importance of that business which has made this gathering possible. We are particularly fortunate in holding our convention in your city at a time when the resources, not only of this country but of the civilized world, may be seen in your magnificent exposition. There will be ample opportunity for viewing this marvelous display after our convention has adjourned, and I trust that these attractions will not be permitted to draw any of our members away from this auditorium until our final meeting Thursday afternoon, which will be on the exposition grounds.

A Year of Progress

The year now about to close has been one of considerable activity. While I have been relieved of that measure of traveling which has characterized some former administrations, I found it advisable to visit twenty associations, beginning at Pittsburgh and ending at New Orleans. My journeyings, including my trip to the convention and return home, will have covered nearly fifteen thousand miles. My visits to these associations were frequently made the occasion of extra efforts for new members, and numerous additions were secured in this way. I shall never forget the royal hospitality extended to me everywhere, and the many delightful hours spent with old friends and new. It unmistakably evidenced the dignity and esteem which attaches to the presidency of the National Association. One of the most important gatherings I attended was the inaugural meeting at Pittsburgh last October, at which I outlined the policy of the administration. Another notable gathering was the eighth annual meeting of the Association of Life Insurance Presidents last February in New York, where I urged closer co-operation between that organization and ours, as both are working for similar ends.

Twenty New Associations

There has been marked progress the past year in many directions. More than twenty new associations have been organized, particularly in the South and West. Especial credit is due Mr. Wm. G. Harris, chairman of the Membership Committee, Mr. Orville Thorp and Secretary J. Henry Johnson, for the splendid work done in Texas, as a result of which four new associations have been organized in that State. Equal credit is due Messrs. H. H. Ward and W. D. Mead for effecting the organization of three associations in the Far West. Several old associations have increased their membership from 50 per cent to 100 per cent. The New York association has inaugurated a membership campaign, with 1000 members as the goal, and is making rapid progress. Chicago and Pittsburgh, Philadelphia and St. Louis, must look to their laurels. The campaign for the organization of new associations and for the increase in membership of those already organized should be continued. If the rate of increase for the past three or four years is maintained, the membership of the National Association would number approximately 10,000 by 1920. Such a membership would practically double our income without materially increasing our expenses, and would enable the association to extend its work in many directions.

Since the last convention we have witnessed the successful development of several important plans so wisely begun under former administrations. The original purpose in the minds of those responsible for the Education and Conservation movement was the ultimate establishment by the National As-

sociation of a permanent bureau for the proper dissemination of information and progressive ideas of life insurance to the people of this country. This purpose took definite shape at a joint conference of the Executive Council and the Education and Conservation Committee held in New York on December 12, 1914, when it was unanimously decided to establish such a bureau. Mr. Everett M. Ensign, our very efficient corresponding secretary, was put in charge of this important work, and was given an assistant to relieve him of a portion of his increased duties and responsibilities. Although the bureau has been in operation less than six months, the results already accomplished have exceeded our expectations. The work of the bureau has just begun, however, and its scope will be widened and extended as rapidly as experience and the funds at our command will justify. I have no hesitancy in saying that the establishment of this permanent bureau was one of the wisest steps ever taken by the National Association, and will immensely increase its power and usefulness.

Most Important Development

The most important development of the Education and Conservation movement is the advertising campaign now being carried on by nearly fifty local associations. The number is being augmented every month, and the time is probably not far distant when scarcely an association of any size and strength will fail to support this movement. As someone has well said: "Institutional advertising is the ultimate solution to a healthy, legitimate, vigorous and constructive community of interest between the public, the company and the agent. Life insurance has nothing to conceal, and as an institution needs no apologist; its future success, as well as the future success of its representatives, depends upon the simple proposition of telling all to all the people always and at all times."

While we stand appalled by the enormous destruction of life and treasure which has been going on in Europe the past twelve months, we should not forget the victims of the deadly conflict constantly going on in our own peaceful land. Statistics tell us that 650,000 lives are annually destroyed in the United States by diseases of the preventable class. The annual economic loss from this source is estimated at \$1,500,000,000, or six times the amount of our fire loss. While there has been in recent years an awakening of the public conscience as to its duty in this matter, the work of improvement has hardly begun. The time is now ripe for our insurance forces to press forward in this great movement, not only to make life longer in this country, but to make it more livable.

Need of Continued Effort

There is need to continue the efforts already made to diminish the enormous waste constantly occurring from the unnecessary lapsation of policies. I believe it will be wise for the Education and Conservation Bureau to prepare a programme for the use of the local associations, and that every association be asked to devote one meeting each year to this important subject. As Mr. Elmer E. Rittenhouse so well said in his address at the Cincinnati convention:

To engage in this work adds a dignified and attractive feature to life insurance. It supplies a valuable public service and therefore commends itself to the people. It gives life insurance a permanent and advanced place in a most important world movement for the benefit of the human race. It will help to reduce sickness and to promote longevity. It will encourage persistency among policy-holders, and cement their interest and loyalty to their companies. It will assist in attracting new business from the policy-holders and from the public. It will increase the prestige, the influence and the usefulness of every agent who takes an intelligent interest in the work in his community.

I am greatly pleased to announce the completion and publication of the text-book on insurance. Those who are familiar with the facts will recall that former President Sills during his administration inaugurated the plan of having talks on life insurance made before high schools, Y. M. C. A. clubs and other organizations. He experienced no difficulty in find-

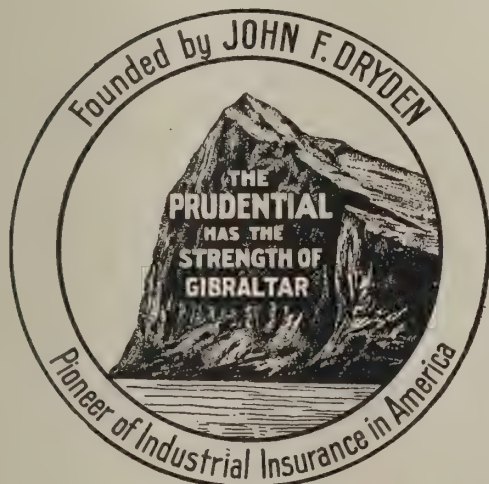
The Grand Prize Again

THE highest possible award has been conferred upon The Prudential for its wonderful exhibit on Life Insurance and Public Welfare. This time the award is from the Panama-Pacific International Exposition, in recognition of the superior excellence of The Prudential's display of business methods and results. The Prudential has received awards at all the great national and international expositions for many years.

In awarding the Grand Prize to The Prudential, the International Jury considered: the completeness of the Exhibit; its great informative value; the tremendous research involved; its great worth to workers for hygienic progress; its demonstration of the fact that the Company knows what every detail of its business means; and the further fact that it uses this information for the good of its policyholders and the general public.

The Exhibit is divided into eight sections; as follows:

- 1—Prudential Methods and Results
- 2—The Company's Mortality Experience
- 3—American Public Health Problems
- 4—Mortality of the Western Hemisphere
- 5—Insurance Methods throughout the World
- 6—Documentary History of Insurance from its
Origin to the Present
- 7—Life Insurance Architecture
- 8—Interesting Historical Facts about Gibraltar



The Prudential

INSURANCE COMPANY

OF AMERICA

HOME OFFICE, NEWARK, N. J.

FORREST F. DRYDEN, President

Incorporated Under the Laws of the State of New Jersey

ing men willing to undertake the lectures, but they soon discovered the need of a suitable book from which they could secure the material for intelligent talks. President Sills therefore became a strong advocate of a text-book to overcome this handicap to the educational movement.

The New Text-book

At a meeting of the Executive Council in Pittsburgh, October 6, 1913, this matter was fully discussed, and former President Clark was authorized to investigate the situation and see what could be done. On November 17, 1913, a special meeting of the Executive Council empowered him to secure some competent person to prepare a textbook on life insurance, the contract to be approved by the Executive Council and the Committee on Education and Conservation. Shortly thereafter, on December 7, President Clark made his report to a joint meeting of the council and committee, and on his recommendation Dr. S. S. Huebner was employed as editor, assisted by Dr. Bruce D. Mudgett, and the contract for publication was awarded to D. Appleton & Co., on favorable terms. This book, after the most careful and painstaking supervision of President Clark and the Executive Council, has finally been published, and will be of immense service in connection with the educational courses of life insurance instruction in the schools, colleges and universities of the country, and for the individual study of ambitious agents. Its completion constitutes one of the most important achievements of the National Association, and is a great addition to the educational forces of life insurance. Mr. Warren M. Horner, the indefatigable and forceful Chairman of the Education and Conservation Committee, and his associates, have laid the foundation of this great movement both broad and deep, and the National Association is under lasting obligation to them for the service they have rendered. General agents and managers will find it to their interest to see that their agents are supplied with copies of the text-book, as familiarity with the fundamental principles of life insurance as set forth therein will undoubtedly improve their efficiency and productiveness.

Taxation, a Live Subject

Taxation has been a very live subject the past year, as it was the year before. Following the protest by the Cincinnati Convention against the re-imposition of the stamp tax on policies of insurance, Mr. Edward A. Woods, the dynamic Chairman of the Taxation Committee, sent telegrams to the presidents of all the local associations in the country, asking them to protest strenuously to their Senators against this tax. The result was most gratifying, as several hundred telegrams were sent from various Associations, and the Senate Committee promptly removed life insurance from the proposed tax. It is of course proper to say that the Association of Life Insurance Presidents, company officials and others co-operated in this movement and assisted in winning the victory which saved policy-holders from an additional tax of over \$2,000,000. This success, following the important one the previous year, fully demonstrated the wisdom of the Convention in appointing this committee and in putting Mr. Woods at its head.

Our official organ, *THE LIFE ASSOCIATION NEWS*, has enjoyed the most successful year in its history. In this publication the National Association has an asset of great value, judged by the dividend it pays into our treasury. It is of immensely greater value to the association as the medium through which important information and inspiration are promptly communicated to all our members, and without which the Association movement could not progress. Mr. Everett M. Ensign, our corresponding secretary, and the head of our Education and Conservation Bureau, is also editor of the *NEWS*, and is entitled to great credit for his able and successful management.

I wish to call special attention to the Life Insurance Collective Exhibit on the Exposition grounds. The National Association has gone to considerable expense in preparing this

exhibit, the main feature of which is a mill grinding out silver dollars, and visualizing the amount contributed by policy-holders in this country in the way of insurance taxes. No delegate or visitor to this Convention should fail to see this exhibit. The Panama-Pacific Exposition has paid a notable tribute to life insurance in designating August 12 as "National Association of Life Underwriters Day." Never before has any similar exposition accorded such a distinction to our organization. A special reception will be given on the grounds Thursday afternoon, at which official recognition of our organization will be made in some impressive ceremonies, and every member of the Convention is expected to be present. For these unusual and distinguished courtesies we are particularly indebted to Mr. W. L. Hathaway, Commissioner of the World's Insurance Congress, and to Hon. Charles C. Moore, President of the Panama-Pacific Exposition, to both of whom our hearty thanks are hereby extended. We are greatly indebted to Mr. H. R. Hunter and to the local committee for the splendid provision made for our entertainment. I can pay them no higher compliment than to say that it is no more than we expected, for the reputation of San Francisco for hospitality is unsurpassed.

Company Officials Friendly

I have been greatly encouraged in my work the past year by the officials of the life companies, who have manifested a friendly interest in what was being done. Insurance commissioners have co-operated in the efforts we are making to improve legislation and the other conditions under which the business is conducted. Insurance journals and the daily press have given freely of their space and have helped to create an atmosphere favorable to our enterprise. More than all, however, am I indebted to my official staff, the vice-presidents, the secretary, the corresponding secretary, the treasurer, the Executive Council, and the Executive Committee, for the cordial co-operation and the splendid help they have given me this year. While all have done so much for which I am grateful, I cannot refrain from making special mention of Vice-President Woods and his activities in so many directions. I would also refer to the splendid work Vice-President Russell has done in stimulating attendance at this Convention, especially from the associations situated in the far West. The Executive Council has practically been in session all the year round, as scarcely a day has passed without the interchange of letters among its members regarding some feature of our work. Only one who has filled the office of president can fully appreciate the important function of the Executive Council, and I am sure that no president ever had the loyal support of a better council. Permit me also to express my appreciation of the excellent work of the various chairmen and their committees, and of the splendid activities of the local associations. All these have made possible the progress which I have noted, and which will be brought out more fully in the reports to follow.

In Conclusion

I cannot find more fitting words with which to close my report than those of Colonel Chauncey M. Ransom, the founder of the National Association, in his address at the Milwaukee Convention in 1897:

There is a great and far-reaching responsibility resting upon the members of these associations, and they should spare no effort to protect the business of life insurance, as well as the associations, from the assaults of foes, whether they be within or without the walls.

Above and beyond the desire to see the association idea successfully carried out to its logical end should be the determination to relax no effort which will place the business of life insurance on the topmost pinnacle of fame, and which will thus enable the men who at present constitute the membership of the Life Underwriters Association to leave to their successors an inheritance of good work and of duty well performed.

1865

Fifty Years

1915

The Provident Life and Trust Company

—OF PHILADELPHIA—

The experience of this Company offers undoubted proof that the policy which covers the most needs in the largest number of cases and covers them to the greatest satisfaction of the insured is a policy which protects the whole period of the insured's expected active career and then becomes payable to him for its face value in cash should he survive that period.

Not only does this policy give all the protection of a life policy, but should the insured survive, it absolutely guarantees the payment of the policy upon a stipulated date.

In 1914 the Provident paid \$2,866,278 in matured endowments. The satisfaction afforded by these maturing endowments is of great advantage to the agents of the Company.

Asa S. Wing
PRESIDENT

J. Thomas Moore
MANAGER INSURANCE DEPARTMENT

INSURANCE OF TO-MORROW

Address Delivered at Morning Session, Wednesday, August 11, by Otto Irving Wise, Vice-President Western States Life Insurance Co.

To venture into prophecy is neither daring nor profitable. Contradiction by the most proficient and expert becomes counter prophecy. The ultimate event is fraught with that immediate interest which does not include tribute to the prophet. I am tempted, however, to review yesterday in order that we may better prepare for the demands of to-morrow. Was it not Lord Beaconsfield who has Coningsby say: "Man is never irresistible save when he appeals to the imagination of his fellow creatures."

These reflections prompted me to undertake the subject of this paper. I am not unmindful of the vast speculative field which is opened to our vision; I realize fully the divergent views which are conjured up by the mere reference to the possibilities of insurance; but I am also persuaded that thorough knowledge of the record of yesterday, together with a strict understanding and account of to-day, may point the way for to-morrow.

Constant Social Changes

In each generation there are but very few who are able to judge the social and political changes that are constantly going on round about them; most men are neither students of history nor keen observers. It must be conceded, nevertheless, that the nineteenth century will be known in history as the age during which many humanizing influences not only modified but improved conditions of human life. In the midst of a natural and almost mechanical propulsion of education, and despite a certain amount of intellectual progression, society remains apparently stationary. We seem content to live, to move, to be and to participate in those events and experiences which, most frequently unknown to ourselves, create the opening chapters of the life of posterity. Social history is merely an account of the progress or decline of those conditions which constitute the civilizing or destructive forces of mankind. It is therefore but a record of the evolution of humanity from a savage to a social state. It is to be distinguished from political history in as much as the latter merely records the rise and fall of empires, the coming and going of races. Social development is what might be defined as the genius of civilization. It has created those influences which make men more human and less savage, more sociable and less selfish, more equitable and less inclined to injustice.

Man, a Responsible Agent

The social evolution of the nineteenth century created two ideas of the greatest magnitude. The first proclaimed that the individual is a distinct personality, that man is a responsible agent and a contributor to the good or evil of his time. The idea was not new, for it will be found in the laws of the Ancient Jewish Commonwealth. It was present when the English people demanded their charter from King John. It was the idea of the French Terrorists of 1793. The second came as a complement, or twin idea, and was a recognition of the dignity of labor. Master and servant are now convertible terms. From these two noble ideas, the equality of man and the equality of labor, arose social justice. With the establishment of the deathless doctrine that all men are equal came the counter declaration that responsibility must be equally divided. These ideas, while not new, required external influences to make them operative. A declaration of the integrity of certain ideas, such as the equality of man and the dignity of labor, is in itself a foolish and worthless thing, if the practice of humanity fails to make such ideas operative. Investigation proves that we have traveled only part of the way. Assuming that the teaching is sound, man's education has not been rapid enough to fully test its soundness. A pauper is a poor sort of a free man; he is a man who lives by privileges, like the mob of old, with this difference, that

his disgrace is keener because the theories of modern life altogether preclude his existence. Since equality is law, the pauper is a law-breaker. He neither toils nor spins, hence he preys upon the legitimate earnings of others, contributes nothing to the energy of the commonwealth, ridicules the mutuality of capital and labor, demands privileges in a community that recognizes none, and so proves us to be mere dreamers and theorizers who have set up straw puppets for an audience before which to ventilate our pretty notions of equality. The pauper proves the folly of the equality of man, and the dignity of labor.

The Age of Equality

What produces this modern pauper in this age of equality? Primarily, an incapacity to discharge the responsibility that came from a declaration of equality. It can matter little just now how that incapacity was engendered. We know many of the causes. Too often we rail at the shiftless mob without inquiry as to what makes the mob. Often a poor devil is asked why he does not work, without an inquiry as to whether the work exists. Many men are naturally idle, prone to despise the toil that brings bread legitimately, but such people are in the minority. Man, as a rule, is disposed to earn his bread. The father of a family will seek it legitimately, no matter how small the earnings. Begging is the disgraceful occupation of but very few.

It is my opinion that we have not backed up our theories. We proclaim men equal, but we crowd all energies into the keeping of a few, and let the rest of men shift for themselves. If we grumble at the beggar, we fail to remember that we are responsible for the beggar. If we complain at the heavy taxes for the support of the helpless, we forget that perhaps we are to blame for their helplessness. For what is equality? An equal distribution of property? Nonsense. An equal division would last just long enough to prove that nature herself is responsible for many of the impossibilities of man to sustain himself. No, true equality is equal opportunity—every citizen according to his capacity. Equality is an endowment of the individual to take his place in society, to assume his responsibility, and to discharge it without cost to his fellow citizens. Shiftlessness, idleness, the tendency to conspire against those whose energies are always engaged, are consequent causes which spring from the inadequate responsibility, in the discharge of which they shall be no burden on the community.

Pauperizing Tendencies

What are the means to suppress these pauperizing tendencies? It is believed that the remedy lies in humanizing influences. Yes, indeed, but of what particular character shall these influences be? School Education? It has oft produced the worst scoundrels. Manual Education? The uncertain conditions of the labor market often force the most skillful mechanic into the ranks of the paupers. There is, so far as I can see, but one effective remedy to prevent pauperism, and that is the promulgation of a doctrine that no man who desires to be and to remain his neighbor's equal, should wholly use and absorb, from day to day, the earnings that come to him from the discharge of his responsibility. A man who is a dollar ahead of his income is an independent citizen, whilst the man who is just a dime behind is a pauper. If money represents the earning power of society—and labor, too, is money, what tremendous independence there is in being able to retain in one's possession a fraction of the earning power!

The main factor in the self-protection of society against pauperism is not education, but the creation of an apparatus which conserves and administers upon the economized energies of society, so that there shall be no break or stop in the individual's usefulness. When the earning capacity of all men perpetuates itself, if only to a modified degree, we may reasonably hope to overcome the dangers of a growing proletariat. You are the representatives of perhaps the greatest instrument by which the earning capacity of the citizen is perpetuated.

DO YOU KNOW

that the business for the Memorial Fund given to the University of California by the Class of 1915 was placed in the Connecticut Mutual Life Insurance Company?

DO YOU KNOW

that the Connecticut Mutual Life Insurance Company of Hartford secured this business in open competition with 34 companies, the kind of competition in which all the factors were duly weighed?

DO YOU KNOW

that it was the superiority of this Company's policy contract and service that made this possible? You should investigate these, also our agency contract and read the outlines of the **COMPANY'S UNIQUE HISTORY** before deciding what company you will select. Use the coupon.

Connecticut Mutual Life Insurance Company

Hartford
Connecticut

Please send me your booklet giving the outlines of the Company's history

Name _____

Address _____

Life insurance, I consider to be the greatest civilizing tendency of the nineteenth century. I understand life insurance to be an apparatus by which the economized energies of the citizens, represented in dollars and cents, are conserved and perpetuated, to be distributed at the needful time according to the ratio of contribution. The mere idea that life insurance means the getting of a sum of money after death does not represent its beneficent tendency to really perpetuate a man's power to earn money after he has passed away. I consider it the greatest bar to pauperism now extant in modern society.

A Powerful Influence

Even conceded that life insurance is a business and that its promoters are not philanthropists, since that is their responsibility in life and their system of earning money, it is obviously unfair to look at aught but the influence it wields in disposing of that momentous question, the promotion of equality by the suppression of the pauper. Being insured means in the first place the assumption of an obligation to segregate a part of one's earning capacity, so that at some time the aggregate parts may become an independent capacity. This inculcates the habit of economy, and in point of fact economy is purely the conservation of capacity to continue the function of the earning power. This economy, being a domestic virtue, inspires a feeling of self-reliance, independence, self-consciousness, and generates a conviction that one is in reality the equal of all other men.

The man who, whilst he lives, has an insurance policy, is always ahead of poverty. He is not poor. In the day of his calamity he finds protection. He has an investment, a part of the accrued earnings and energies of the world belong to him. He is not, never will be, a pauper. He has done his duty, he has discharged his responsibility and obeyed the law of equality in that he has not neglected nor refused to accept his opportunities. What is the consequence of his action? A great deal of the misery and misfortune of society comes from this one fact that people do not save the one surplus dollar which is the factor of energy they have wasted, for they could have lived without it.

A brief review of the history of insurance, a study of its far reaching growth and importance in the economic development of our civilization will better enable us to take account, as it were, of its present status, and might serve as a guide for the future.

At the beginning of the last century, insurance, as we now understand the term, was practically unknown. An organization, still extant, known as the Presbyterian Ministers' Fund was in existence. Its activities were as limited as its name implies. Gradually, assurance societies whose aims and ambitions were indeed most circumscribed, were formed and these undertook to preach and to spread the doctrine of protection for dependents after death. The skeptic protested. He was unwilling to hazard his earnings upon the promise of others to make payment at a time when he would not be present to enforce the contract. Besides, it was not difficult for him to calculate that only his early demise would make the contract a profitable one.

A Science Evolved

From such uncertain and speculative hazards, from untried and untested opinions, from actuarial estimates, which must of necessity have been purely guess work, has evolved the exact science which, with almost wondrous precision, not only foretells the expectancy in life of the human family, but which enables the insurer to yield to the insured the fullest measure of return and protection. From what might now be looked upon as the primitive promise to pay a beneficiary upon the death of the insured, coupled with the strict requirement of prompt annual payments of unusually excessive considerations, has been evolved the present gigantic structure of life insurance, the financial heart-throb of mankind.

To the rather unsatisfactory "die to win" promise of not many generations ago, which, in its very nature was uninviting to those without dependents and to those apparently free

from the cares of to-morrow, there were added from time to time as experience ripened and became more dependable, various features which made provision for benefits during the life of the insured. Perhaps the first of these features was the payment of premiums for a limited number of years instead of for life. Then followed endowments. Next the elimination of restrictions as to occupation, residence and travel. Soon came the granting of loans of a portion or the whole of the reserve on the policy. Then the cash surrender values and the nonforfeiture clause. Then followed in order the allowance of thirty days grace for the payment of the premium, the incontestability of the policy, the payment of annual dividends, the tontine by which the policy holders of a given class were permitted to share in the profits, the debentures, devised to protect the insured or the beneficiary against unwise investments, the annuity which by its very term implies the reverse of life insurance, for it provides an annual income during life in place of a payment after death. Finally the total disability benefit, under which, in the event of total and permanent disability, the policy is kept in force without further payment of premiums, or the insured may receive an income for life or for a fixed period. The life insurance company of to-day has become a trustee charged with the most important and sacred functions in domestic affairs.

Co-operative Conservation

From uncontrolled groups free within the law to engage in any form of financial jobbery, with unlicensed liberty to issue promises and contracts and policies, voidable at their caprice, has gradually developed this gigantic structure of co-operative conservation. In brief, within the span of but a few generations, life insurance has become not the hazard or the venture of a few, but the anchor and protection of the many.

With this development there has kept pace insurance against almost every hazard and peril of man. It is perhaps impossible to name any peril in human activity against which protection cannot be procured. We can perhaps better realize this condition when I remind you that in this country alone the annual premiums paid by its citizens last year for protection against the hazards of life and of business exceeded one thousand million dollars.

Nor has the State been remiss. Not content with the enactment of laws which regulate and prescribe the investment and expenditure of funds, and which guard the insured and the beneficiary against burdensome contracts, it has not only recognized the immeasurable value of life insurance, but it has assumed the burden of compulsory insurance which seeks to safeguard the human family against want and penury in old age, against the helplessness of impoverished widowhood, against the sorrow which pursues the fatherless.

The German Idea

Dr. Albert Schaffle in his excellent book entitled, "Aus Meinen Leben" seems to have epitomized the attitude of the German nation, which has been followed by most of the other great powers, when he said, "Everything that makes the masses of the public secure against need, that strengthens the people by its own co-operative effort, that creates social peace and prevents violent agitation, that transforms the spirit of mendicancy into a consciousness of state-directed collective self-help, and that raises the entire moral and political level of the lower classes, is of incalculable worth, and all this is done by the system of obligatory self-insurance against want and distress."

We lack the opportunity in this paper to review the growth of this new charter of individual right and duty. It will be of interest to observe, however, the spread of this spirit of obligatory self-insurance.

In the field of social insurance the greatest progress has been made by the German people. Originating in the fraternities known as "Knappschaftskassen," which were organizations of miners for protection against sickness, accident and infirmity, laws were evolved, during a period of seventy

THE PENN MUTUAL LIFE INSURANCE COMPANY

OF PHILADELPHIA

**OFFERS A COMPLETE
INSURANCE CONTRACT
AT PROPER COST WITH HIGHEST VALUES
ADAPTED TO FIT ALL**

INSURANCE NEEDS

**FAMILY PROTECTION ESTATE CREATION
BUSINESS—PARTNERSHIP CORPORATION**

INDEMNITY

**BECAUSE OF THESE ADVANTAGES, ADDED TO THE
REPUTATION AND STABILITY OF
THE COMPANY**

FIELD REPRESENTATIVES

OF THE

PENN MUTUAL

HAVE THE

**LARGEST OPPORTUNITY FOR SUCCESSFUL
WORK THAT THE LIFE INSURANCE
BUSINESS AFFORDS**

WRITE FOR TERRITORY

years, which created a system of social insurance under the general law known as "Reichsversicherungsordnung" which extends the scope of protection, so that it includes old age, widows, widowers, orphans, retirement allowances to salaried employees and pensions for their survivors.

In England the old age pensions now in force involve a State expenditure of \$50,000,000 for the current year, and calculations indicate this account will approximate \$100,000,000 in 1922. Under this system pensions are payable to citizens on a graduated scale not exceeding five shillings per week. To be entitled to this pension a citizen must be seventy years of age and have been for at least twenty years a British subject and in receipt of a yearly income not in excess of approximately \$160. In viewing these pensions and incomes the difference in the wage scale between England and this country must be taken into account. Habitual failure to work, or imprisonment without the option of a fine, or detention in a pauper or criminal lunatic asylum, or habitual drunkenness, is a bar to the right of this pension. Nearly one million pensioners are now on this roll.

Old Age Pensions

In Austria, by a law enacted in 1906, a limited system of contributory old age and invalidity insurance applying to a class of salaried employees was adopted.

In Australia the Old Age Pension Act was the result of investigation by a commission who reported that a system of old age pensions for the entire commonwealth should be granted "as a right and not as a charity." Under this act a grant not to exceed \$130 at the age of sixty-five years was allowed in certain cases. To obtain this pension the applicant must have resided in Australia for twenty years, be of good character, must not have deserted his spouse during five years immediately preceding the application. The net capital of his accumulated property must not exceed approximately \$1,500, and he must not directly or indirectly have deprived himself of his income in order to qualify for or obtain a pension. It is interesting to note that the number of pensioners out of a total population of four million has already amounted to sixty thousand.

In Victoria, in New South Wales and in New Zealand similar laws are now in force. In Denmark the old age pension has made great strides; in 1908 some seventy-one thousand out of a population of less than three million were receiving pensions.

In Belgium substantially the same system has met with the same result.

In Italy under the system known as voluntary contributory insurance, the number of persons insured is approximately 330,000 out of a total population of 32,000,000, or more than one per cent.

France's Expenditure

In France the expenditure in 1907 by the State for old age pensions totalled \$12,000,000. In our country no State has as yet enacted any law establishing a general system of old age pensions. Insurance by the State has thus far taken the form of pensions for officials. In most States provision is made for firemen, policemen and other public employees. In New York some judges retire upon a pension. Under the Federal government officials of the army and navy retire with a pension.

Private enterprises have established retirement systems for old age, independent of State aid. In 1884 the Baltimore & Ohio Railroad established such a system, which has had rapid extension in this country. Twenty-eight other railroad companies have for a number of years operated under such a system. Armour & Co., for example, established a system of pensions in 1911 obligatory upon all employees, except unmarried women and minors under the age of sixteen years who earned less than ten dollars per week. The employees contribute three per cent. of their salary annually. The First National Bank of Chicago established such a system in 1899, and the United States Steel Corporation in 1911.

Workingmen's Compensation and Accident Insurance has

made even greater progress in the last decade. Under the old common law, a workman who was injured through his contributory negligence or that of a fellow employee could not recover for the injuries sustained in the regular course of his employment. Not only abroad, but in many of our States has this been changed, and a most elaborate system now obtains in many jurisdictions whereby a workman is compensated for injuries sustained regardless of the time or place or manner of the injury.

Marked Progress Abroad

When we thus observe the marked progress of foreign States in the protection of its citizens by the adoption and evolution of elaborate schemes of obligatory insurance, and note that in our country we have been laggard, we must not omit to take account of the far greater development of voluntary insurance here than abroad.

Exact statistics are not available, but we can quite accurately make estimates from the following. In 1913 there were ninety-two life insurance companies engaged in business in Great Britain as compared with more than 230 such companies in the United States. In that year the three largest companies, in Great Britain, namely the Prudential Assurance Company, the Australian Mutual Provident Society and the Sun Life Insurance Company of Canada, wrote new business amounting in the aggregate to approximately \$100,000,000. In the same period the three largest companies in the United States, namely the New York Life Insurance Company, the Mutual Life Insurance Company and the Equitable Life Assurance Society wrote new business amounting in the aggregate to approximately \$540,000,000.

The most recent insurance problems which have attracted the attention and consideration of the law makers in the several States of the Union, indicate with some certainty the present tendency. We note among others, the movement to confine, by legislative enactment, the writing of participating business to mutual companies and of non-participating business to stock companies; the effort, most far reaching in its effect, to standardize the basis of reserve valuation of policies. A movement has been inaugurated by the Convention of Insurance Commissioners and actuarial societies toward compiling statistics for a new mortality table, principally as a test of the American Experience table made in 1868 in the light of the actual experience of American companies, during the intervening period of nearly half a century.

The Problem of Taxation

The mutualization of all stock companies has already engaged the consideration of several law making bodies. Finally, the problem of taxation has become most absorbing and vital. In California, for example, the total premiums collected in 1886 amounted to \$8,500,000; in that year the taxes and fees paid to the State were \$13,210. In 1913 the total premiums collected were \$47,600,000, and the State taxes and fees amounted to \$820,000. In other words, while during the intervening twenty-seven years business had multiplied by six times, taxes had increased by sixty-three times. This taxation yielded a profit in this State in 1913 of nearly \$800,000, after deducting all the expenses of the State Insurance department. Even modern legislators have commenced to realize that this unjust burden is discharged by the citizens, the policy-holders.

Whither, then, are we drifting? What next? Shall the State eventually assume the entire care and guardianship of its citizen? Shall there be vested in the State that duty and responsibility which includes the conservation of individual energy or shall the citizen remain a social factor, a constituent part of the State?

But a few weeks ago we celebrated the seven hundredth anniversary of the signing of the Magna Charta by King John. How modest and simple were the demands of the barons in 1215, compared with the personal and political and religious liberty we enjoy to-day. Shall we yield even a fraction of those liberties when by yielding we may destroy the initiative and the incentive which have created the pro-

The Prestige of More than
Half a Century of
Honorable Dealing

The Distinction of
Strength, Liberality and Reliability
Invite the Attention
of Competent Agents



Issues Policies Covering
Everything Worth While in Life Insurance
Rates Moderate
Policies Satisfying
Attractive Contracts for Capable Agents

gress of to-day? State guardianship spells sloth. Paternalism in government cannot reach out beyond the general safety of the State, without taking from the individual the inspiration which has fired him to do and to dare.

Insurance as practiced to-day and as preached by the man in the field, has aroused the citizen to the need of to-morrow, to a realization of to-morrow's economic uncertainty. It has encouraged thrift and discouraged drift. Men and women revolt at the doctrine that what is, is right. The status of life cannot be stationary. Ambition and idealism prevent it from standing still.

Potentialities

We turn therefore to the vast potentialities of life insurance to carry the torch of individual endeavor far beyond its present habitat. The citizen shall continue to create and the insurance company shall conserve the energy of man. He shall not drift without care of the future in the reflection that in old age or incapacity the State shall parcel out to him a pittance. The care of the helpless may be the sacred duty of the State, but when it seeks to limit the fullest conservation of individual energy and thrift and power we shall arise and say, "Thus far shalt thou go and no farther."

To-morrow will dawn with the knowledge in the hearts of the sons of men that the State will protect and not provide. Insurance will become the universal safeguard and security for the people. Already some companies have organized and equipped bureaus and departments for the conservation of health and the consequent lessening of the death rate.

Insurance of to-morrow will be based on the continued progress and evolution, by ripened experience, of those benefits which have contributed so great a share in the happiness and well being of the world. It will be founded on the strictest methods of fair business dealing and not upon the charity or generosity of the State. It will be in universal use. It will be for all men the safest and wisest protection for the future.

EASTERN DELEGATES HAVE ENJOYABLE TRIP

Convention Special Is a Regular Vaudeville Show—Life Underwriters Are Royally Entertained All Along the Line.

After a wonderful combination of weather and train accommodations, together with a congenial party, the Eastern delegates to the convention arrived in San Francisco Monday morning, August 9.

The special train left Chicago shortly before noon on Thursday, August 5. While the party was not as large as had been anticipated, there was a compensating advantage in space for conferences, an occasional game of cards, and social visits.

At Cheyenne the delegates were met by several members of the Colorado association, with whom were Insurance Commissioner Harper of Colorado and Deputy Commissioner Mrs. Dorothy McDonnell Rolf. The Colorado underwriters motored 115 miles to convey their greetings to the party on the special train.

Oh! You! Mormon Town!

The day spent at Salt Lake City proved to be a series of thoroughly enjoyable surprises. The festivities were initiated with a trip to Saltair, where many of the delegates availed themselves of the opportunity of taking a dip in Great Salt Lake. On returning to Salt Lake City, special trolley cars conveyed the party to the Mormon Tabernacle, where an organ concert was given.

A complimentary luncheon was served at the Commercial Club. Daniel H. Livingston, president of the local association presided as toastmaster, and after extending felicitations, introduced Governor William Spry of Utah. Governor Spry welcomed the delegates and gave some interesting statistics with regard to the resources of Utah. Immediately

after the luncheon automobiles conveyed the party around the city.

The entire affair was characterized by a true association spirit, and the following committee saw that the entertainment features were carried through with great success: C. D. Kipp, George D. Adler, Mrs. E. H. Coray, M. H. Kriebel, and E. C. Kahn. President Livingston and Will G. Farrell ably and enthusiastically assisted the committee.

Upon the arrival of the train at Truckee, the party was met by a delegation of San Francisco life insurance men. Luncheon was served at Tahoe Tavern, after which there was a trip around beautiful Lake Tahoe. Dinner was also served at the Tavern, and the delegates then resumed their journey to the Pacific Coast.

Willet Wields a Razor

President Hugh M. Willet is essentially a life insurance man. Mr. Willet does not pose as a barber. Yet, his tonsorial ability, combined with a wonderful flexibility of his facial muscles, was the cause of considerable amusement. Mr. Willet seemed to enjoy the group of spectators which were always on hand each morning while he performed his delicate operation.

Secretary J. Henry Johnson and Mrs. Johnson joined the party at Cheyenne. Mrs. Johnson had been ill for several weeks, but the good spirits of the delegates were responsible for a marked improvement in her condition. Before the party reached San Francisco, Mrs. Johnson declared that she had not felt better in several years.

An Expert Sign Painter

Former President Ernest J. Clark displayed commendable ability as sign painter. For full particulars inquire of Mr. Clark.

J. J. Jackson of Cleveland, sometimes referred to as "Give-three-rousing-cheers Jackson," was utterly irrepressible. Mr. Jackson seemed to take particular delight in referring to Mrs. Jackson as his 80 per cent. But the qualities characteristic of the Jacksons are not to be measured in avoirdupois nor computed in percentages.

E. W. Heisse of Baltimore and former President Charles W. Scovel of Pittsburg were the human encyclopedias. Mr. Scovel was always willing to talk, but Mr. Heisse simply could not help it.

A Religious Dispute

On Saturday evening a placard in the observation car announced that divine services would be held Sunday morning by G. Russell Leonard of Chicago. Saturday evening, however, a controversy arose between Mr. Leonard, whose religious proclivities are well known, and J. W. Bishop of Chattanooga and R. C. Pope of Bay City, Michigan. Bishop claimed that ecclesiastical precedents should preclude the oratorical outburst of Leonard. Bishop seemed to have the best of the argument until Pope made his appearance, and then, of course, there was no further cause for argument.

Priddy and the Chipmunks

Lawrence Priddy, president of the New York association, was accompanied by Mrs. Priddy and Mrs. V. W. Harwood, who is Mrs. Priddy's mother. Mr. Priddy was discovered wandering up and down the main street of Salt Lake City "sicklied o'er with a pale cast of thought." One of the party became solicitous and tactfully inquired as to what the trouble might be. It subsequently developed that last year Mr. Priddy had spent several days at Lake Tahoe and was very much impressed with the chipmunks, which are so numerous at that place. Priddy said that one day during his previous visit to Lake Tahoe at least ten chipmunks were eating out of his hand at one time. Priddy also said that he wanted to see the chipmunks again and was in doubt just what to do,—whether to go to Tahoe and "make a noise like a nut" or carry some nuts with him. He finally adopted

(Continued on page 54)

Ambitious, productive and
trustworthy Life Agents
may be benefited by
corresponding
with the

Berkshire Life Insurance Company
of Pittsfield, Mass.

Inc. 1851

W. D. WYMAN, President

W. S. WELD, Supt. of Agencies

New
policies with
modern provisions
Attractive literature

EDUCATION AND CONSERVATION WORK

No Individual Can Be Bigger Than the Cause for Which He Is Striving, Declares Warren M. Horner, in Addressing Convention.

I would not give much for a man who is not a good partisan. To me, Minneapolis is the most beautiful city in the world. The State of Minnesota, with its wonderful and varied resources, beautiful lakes and rivers, and air that cannot be found anywhere else on the globe, holds me with a grip that could never be shaken; but with all this love and loyalty for my home surroundings, city and State are subordinate to the national spirit.

For over twenty years I have represented one life insurance company, and have carried forward their banner as best I could.

But when I stand upon this platform and speak for the cause of life insurance and its ideals, I am not a partisan, and I am striving for something broader and greater than any company or individual.

A man is no bigger than the little things he does.

This movement calls for big men, big ideas, and the elimination of petty jealousies and machinations.

The Man and the Cause

No individual can be bigger than the cause for which he is striving; and he can only further the cause toward which his efforts are directed and stay in public favor, so far as he subordinates personal interest to the cause for which he strives.

History proves that great world movements in politics or business have created big men; and it also records with unerring precision that the lights of these men have gone out when they became intoxicated with popularity or overwhelmed by selfish purpose.

What I have said and done in regard to the work of education and conservation, before and since the Memphis resolution, I do not care to withdraw in any material instance. This is not self-praise, because no new thought has been advanced, and nothing done not deemed a necessity by the best minds in the business for more than a generation.

I do confess to a somewhat energizing force from within that some unified action should be taken—a feeling growing with each succeeding year intensified by a condition which I can best illustrate by telling you a true story.

Twenty-one years ago next month I jumped on a train at Minneapolis and went down to Southern Minnesota, and announced to my brother that I had decided to engage in the life insurance business. He said, "Oh, Hell! A life insurance agent in the family."

Now, after all these years have elapsed, and a certain but inadequate improvement has been realized, many a young man I have brought into the business, or tried to have take it up as his life work, has met the same or similar remark. Only the other day, a fine young recruit came into the office, and said: "Mr. Blank," naming a prominent business man, "said to me, 'Why in Hell don't you take up a real business?'"

Must Correct a Condition

So, I say to you officers and agents here to-day, "Why in Hell don't we get together and correct this condition?"

The life insurance business must pass through a reconstruction period of standardization, or it will never get where it belongs, or get anywhere worth mentioning, until the corrective measures are taken up with reasonable unanimity of action.

Accident and liability insurance promote safety appliances, and save life and limb, and add to comfort and health of employees.

Steam boiler insurance improves construction of steam engines, and adds to mechanical progress.

Fire insurance has revolutionized building and architecture in the United States, in making structures more artistic, stable, convenient, safe, and permanent.

Life insurance, the conservation of human life, the offset

to man's earning power, the protector of widows and orphans, the equalizer of business conditions, the preventer of pauperism and dependency, the greatest institution for systematic thrift and "The Greatest Thing in the World," is yet to be put in the public mind where it belongs in its true place in the world's work.

Not a Mere Vision

I think by this time that the fraternity, including officers of companies, is beginning to recognize that this Education and Conservation Movement is not just a vision, nor a scheme to exploit the business through an advertising propaganda, but that the national advertisement is an instructive campaign with respect to the things you have enumerated here before you upon this chart, education, insurance conservation, health conservation, legislation, taxation, with standardization and professionalization included.

We have been striving to get into the minds of the insurance fraternity that through the use of printer's ink and other advertising media, the life insurance company, through the life insurance agent, will be working in a prepared rather than an unprepared field, and will be meeting open mindedness rather than antagonism.

Only the other day I was appalled to notice the lapse ratio of leading companies in the State of California for the year 1914. This is not mentioned with thought of offense to you gentlemen who are citizens of California, because we are all offenders in some degree; but I am not surprised at the fact that the president of your local association, Mr. H. R. Hunter, thought the exigencies of the times demanded his very excellent and fearless address upon the question of the part-time agent.

I never fought harder to accomplish a specific purpose, than I have to secure the support of John I. D. Bristol in New York for this movement, and finally at our last interview in New York, he stated that this movement was the greatest thing that ever happened to the life insurance business, but that not one dollar of his money would go to its support until this Association and its members, in pronouncement and practice, absolutely stood against the part-time agents.

Advocates Clean Bill of Health

I do not mention this as endorsing the method of Mr. Bristol in staying on the outside, because I think he ought to come inside and help bring about the reformation; but it does serve to emphasize the necessity of an early solution of this problem, if we are to go before the people with a clean bill of health and take adequate steps in the matter of insurance conservation.

How many millions of dollars in a year can be saved the policy-holders, and what will be the increased average income of the agent, if the standard companies and their field representatives get together in sincere co-operation with respect to the selecting, licensing, and training of agents, and how much better service will the people receive?

There are many angles, not all of which are before you here on this chart, to the Education and Conservation Movement.

As to treatment of these conditions, I will illustrate by three quotations.

In an address before the Associated Advertising Clubs of the World Convention in Chicago, the 22nd of June, Joseph O. Finn, President of the Nichols-Finn Advertising Company of Chicago, characterized the newspaper in a most remarkable but true fashion, saying in part:

"I am the newspaper, born of the deep, daily need of a nation—I am the Voice of Now—the incarnate spirit of the Times—Monarch of things that Are.

"My 'cold type' burns with the fire-blood of human action. I am fed by arteries of wire that girdle the earth. I drink from the cup of every living joy and sorrow. I sleep not—rest not. I know not night, nor day, nor season. I know no death, yet I am born again with every morn—with every noon—with every twilight. I leap into fresh being with every new world's event.

"Those who created me cease to be—the brains and heart's

NATIONAL LIFE INSURANCE COMPANY

MONTPELIER, VERMONT

ORGANIZED 1850

PURELY MUTUAL

JOS. A. DE BOER, President

The National Life possesses an unexcelled asset and insurance composition. Its service to policyholders is scientific, prompt and complete, based absolutely upon a mutual and equitable practice. **Its low mortality, high interest earnings and economy of management** insure low net costs. Its **liberal policies** and practice commend it to field men as a guaranteed salesmanship proposition upon which they can readily and securely build. The sixty-fifth annual report, **demonstrating these claims**, will be sent to any solicitor, agent or manager on request.

blood that nourish me go the way of human dissolution. Yet I live on—and on.

"I am Majestic in my Strength—Sublime in my Power—Terrible in my Potentialities—yet as democratic as the ragged boy who sells me for a penny.

"I am the consort of Kings—the partner of Capital—the brother of toil. The inspiration of the hopeless—the right arm of the needy—the champion of the oppressed—the conscience of the criminal. I am the epitome of the world's Comedy and Tragedy.

"My Responsibility is Infinite. I speak and the world stops to listen. I say the word and battle flames the horizon. I counsel peace and the war-lords obey. I am greater than any individual—more powerful than any group.

"I am the dynamic force of public opinion. Rightly directed, I am a creator of confidence. A builder of happiness in the living. I am the Backbone of Commerce. The Trail Blazer of Prosperity."

Sermons of the People

In the Duluth News Tribune, in June, an editorial under head of "Sermons of the People," appeared as follows:

"Strange things are constantly happening in this good old world that sort of jar our settled notions. There is no reason why these innovations should not innovate, but to deserve the designation they are necessarily out of the ordinary, must belong to the unusual and run counter to accepted custom.

"The public has become more or less accustomed to the appearance of laymen in church pulpits. But usually they are near-preachers in their church devotion, or appear largely for advertising purposes only, or sometimes to impress upon the congregation their good fortune in the selection of their regular preacher.

"But the Associated Advertising Clubs will hold their annual convention this month in Chicago, that city of sin, which most people may think quite appropriate as a meeting place for men whose business is advertising. June 20th will be Sunday in Chicago as elsewhere. It will also open the week of this convention.

"On that day the pulpits of practically all the more prominent Protestant churches of the city will be occupied by delegates to the convention, by men whose vocation is devising ways and means for gaining public attention, winning the people's confidence and getting them to know and use all the endless variety of the things advertised.

"These men will preach lay sermons, and they include many who have gained national reputations for accomplishment, such as Joe Mitchell, Chapple, C. A. Brownell, John Temple Graves, G. A. De Weere, N. A. Hawkins, and others. Why have they been asked to do this? We do not know; yet it has become a feature of these annual gatherings.

"But we can see a heap of significance in the fact. It means a great deal that advertising men realize that they have a message for churchgoers, for the most substantial and most conservative American class, and that these church people wish to have this message.

New Epoch in Advertising

"It is significant of a new epoch in advertising, of a greater dignity and a far-reaching purpose. It is a realization that the fundamental of advertising whether it is of a special sale, to introduce a new article of commerce, to press the sale of a breakfast food or an automobile, or to promote a great movement for the betterment of mankind, must be based upon truth, sincerity, and merit.

"It is a realization, too, that these men know how to reach the great masses of the people; that they know the folks. To reach them they must know them, and to know them must study them, with all their eccentricities, their prejudices, sentiments, habits of mind, their good and bad, and the basic fact that all have to be shown and convinced, declining to accept even salvation without proper introduction.

"Advertising as a vocation is an infant, and in it America so far leads the world that in all other lands our methods are but copied.

"It is becoming almost a learned profession, attracting the best brains and the most brilliant initiative. Naturally then it is acquiring a substance, a code of ethics, a morality, and a breadth of view, that create a message well worthy the pulpit as a forum."

The Daily Field had on its front page, in the issue of July 5th, 1915, this editorial article, entitled

"Voluntary Features of Insurance."

Pole-star of Human Ideals

"For two thousand years the spirit of co-operation in social aid has been the pole-star of human ideals. As far as its development has gone, it has advanced farther along the lines of insurance organization than in any other way. In insurance the strict principles of business provision and accounting have been united with the instinctive desire of men to protect themselves and their families.

"Under the insurance method the individual protects himself and his own solely as he helps to protect others. The stern and practical requirements of the business more or less frequently give rise to a feeling of distrust and appear to cover up under cold self-interest the real basis of social co-operation, which is the essence and end of the business. Without the most rigid adherence to business requirements all co-operation would become mere sentimentality among some and pure selfish imposition among others.

"The sentimentalist who is practical knows that his ideals must be founded upon strict business preparation and methods, or they fall to the ground. The selfish individual, on the other hand, has his selfishness repressed, limited, and controlled by the rules of business. Thus, the two warring natures in social activity are fused into one, directed to the good end in view by regulations and rules that, as far as possible, equalize them.

"There may come a day when insurance will be as universally in use, and as necessary and simple to procure as groceries, but the time is not yet. Every generation sees it enlarge and increase in the benefits it brings to those who are insured. It is probable that half the population of the United States is directly insured in one form or another. And the army of three hundred thousand field agents of insurance as propagandists of a protective brotherhood are daily doing their share in raising the standard of citizenship by inculcating the insurance idea in the other half of the citizenry of the United States. The fact that insurance is a voluntary act of the individual is its greatest force for good, because these individuals must first be made to understand its functions and for what it stands: the humanitarian service beyond the mere face of its contract.

"If the Panama-Pacific International Exposition does no more than to emphasize this service as one of the greatest of economic forces, largely instrumental in the remarkable progress of these United States—and it has done more, much more—it will have accomplished a great and far-reaching work.

"Will Insurance do its part?"

Must Marshal Forces

The necessity for organization of life insurance forces!

Oh, what a pity it is that some will still adhere to the idea that the individuality of a company, or person, will be lost in this great unified movement!

If you make a business or vocation higher in its standards and practices in the public minds, most assuredly you raise the position and the condition of the component parts which make up that institution.

We do not propose now, and we never have proposed anything to take away the independent operation or ascension of any company or agent, nor done anything or proposed anything which would not in the end benefit immeasurably any such integral part.

But organization, a union of forces, of life insurance interests, to standardize and legitimize and professionalize, has been a necessity, and will remain a necessity; and the business will be kept down, and its representatives in a business and social stratum far below where it belongs, until we get to-

THE MUTUAL LIFE INSURANCE COMPANY of New York

Are you about to take up insurance soliciting as your life work?

Then you will want a company of proved ability—a company which you can afford to stay with, and which you can depend upon always to stay with you;

A company, the “oldest in America,” whose strength and safety no one does or can question, or has ever questioned;

A company whose name is a household word throughout the land;

A company which you do not have to introduce, but whose contract held by you is your own best introduction wherever you go;

A company whose dividends are large, whose net cost is low, whose policies are unsurpassed.

Up to December 31, 1914, THE MUTUAL LIFE had paid policyholders a total of One Billion, One Hundred and Ninety-nine Million Dollars, including more than Two Hundred and Seventeen Millions in dividends alone. It has paid more than Seventy-five Millions in dividends in the last five years.

With such a company you can make money because the people want its policies.

For Terms to Producing Agents, Address

GEORGE T. DEXTER

Second Vice-President

34 Nassau Street

New York, N. Y.

gether and organize in those things which are common to all.

The life insurance business, in the possibilities that it offers to humanity, and for the up-lift of those who carry its banner is "The Greatest Thing in the World."

Thorough Organization Necessary

But until through organization and co-ordination, we accomplish reforms, we will remain as we have always been, negative rather than positive.

To-day, across the Atlantic, a nation whose population individually cannot boast of a better personnel than any one of at least two or three with which it is contending for world supremacy, is in battle with these nations and many others, holding them ten to one from their soil, and apparently and actually, at least for the present, gaining advantage against these overwhelming numbers.

And what is the reason? National spirit? Yes. Preparedness? Yes. Equipment? Yes.

But the secret of this success is organization, the co-ordinating of forces.

Now, the problems of life underwriting are the same in all localities. We are the victims of an anti-public sentiment, which makes poor laws for the people and you, makes them pay more and you receive less for what you do, puts you constantly in an apologetic attitude outwardly or inwardly, and often both, and makes you give what they receive mostly poor service.

Instead of bettering the situation, advertising and publicity, talking to the public about how fine you are and what a fine thing you are doing, and living up to these ideals, the situation is aggravated by a supine policy of organization and a shiftless, inadequate, unbusiness-like policy of appointing and training men not even conforming to the law-enforced ethics of the barber business.

I could run on here all day long, on problems in life insurance, field problems that companies and agents must not allow to remain unsolved, by-products, many of them in the business, most of them conservation measures of great importance to the people who pay the premiums, and to all of us as well.

The time has come when life insurance agents must spend money like other business men. Money and wits, plenty of money and lots of wits.

Get a fund, show the agents outside the National Association of Life Underwriters that you mean business, that you are going to spend money and spend it judiciously for the good of all, but that only members can receive full reward.

Do not the great conservation measures, as espoused by the National Association, apply to agents with equal force all over the broad land?

Union Means Strength

Do the life insurance agents believe that "In union there is strength," is a mere platitude?

Do you believe that solidarity of thought and unified action in the fundamentals of our great business is going to weaken it?

Do you not believe that a comprehensive educational campaign over the country is going to help you? Do you not believe that material published as institutional copy will help agents everywhere?

Do you not think it highly important that we pay special attention to the education of women with regard to life insurance?

Having in mind local matters of special import, local advertising campaigns and national publications, and even the educational work itself, there could never have been a better time to launch the work.

The ambition to obtain large results should be in the minds of field workers and agents and managers, if for no other reason than to give increased protection to the people.

The educational campaign of the National Association of Life Underwriters will create a larger demand for insurance and give increased protection of the public.

Give People Service

Personally, I am more interested in giving the people service in detail of transaction, and net cost of insurance; that the companies be recognized in their true capacity as fiduciary institutions; that agents enjoy prestige because of what they are doing, and that there be such an attitude of public mind created as will permit those agents a living wage in keeping with the station they occupy in life.

You, in what you will do in your own locality, and in contributing to the national cause in money and organization spirit, are helping to harness a great movement already in the organism of field workers in life insurance; something that will go on in the business in some beneficial form long after every one here to-day will have passed out of this life's work.

Had we staged the time and conditions purposely, our work could not have been more effective to create public interest in life insurance.

Death a Hazy Thing

As a usual thing, death and family left behind does not pierce the consciousness of the average mind. Death is rather a hazy thing not to be really considered for years and years to come, but with dead men piled as barricades seven feet high, and with thousands upon thousands dying in one blast of a battery of guns, death comes right into the room where the United States business man is sitting, reading his paper, and his mind is naturally turned to the idea that the call may come for him to go out and feed the cannon.

Death isn't a hazy dream any more—it is grim present reality and men can turn from the news pages where they have read of another terrific battle, and see in the advertising pages the way they can provide for the lives of mothers, wives, sisters, and little ones.

The life insurance agents of this country are charged with the destiny of a hundred million people, whose earning power and future well-being they must conserve, and it is incumbent upon us to act from this on as a mighty army trained to the minute, and not as if we were indulging in foraging expeditions.

EASTERN DELEGATES HAVE ENJOYABLE TRIP

(Continued from page 48)

the latter plan and carried several quarts of peanuts from Salt Lake City to Lake Tahoe.

Sigourney Mellor, representing the Philadelphia association, made a resolution to take up knitting; at least to the extent of making it possible for him to darn his own socks. One of the ladies volunteered to assist him and gave a practical illustration of sock-darning ability which seemed to be greatly appreciated by Mellor.

A Seven Footer

John Patrick of Charlestown, West Virginia, was the only man who found the accommodations inadequate. Patrick measures about seven feet in his stockings and could get along very well during the day. The Pullman conductor, however, objected to one-half of Patrick's anatomy reposing in the aisle during the night. Patrick thereafter adopted the plan of hanging his nether extremities outside of the car window. Everything went well until the train encountered the snow-sheds.

E. E. Flickinger of Indianapolis was the only lonesome man on the trip. It was not until the party were returning from Lake Tahoe that he really became acquainted with the other underwriters in the party.

William King of St. Louis took a great interest in the Mormon institutions of Salt Lake City; likewise he displayed a somewhat inordinate interest when the train stopped at Reno. His actions were the subject of much conjecture, but King reassured everyone that he was happily married and glad of it.

The Fidelity Mutual Life Insurance Company

Philadelphia, Pa.

Walter LeMar Talbot, President

ORIGINATOR of the disability provision in modern life insurance.

ORIGINATOR of a policy providing protection for the insured's dependents and a life income for his old age.

ARDENT EXPONENT of the idea that field men are a vital part of the life insurance business and should be treated accordingly.

Under the Supervision of
Forty-One States

Insurance in Force
Over \$134,000,000

Faithfully Serving
Insurers Since
1878

YOURS FOR THE ASKING A COPY OF —

"Fidelity Field Man," our monthly message of helpfulness and good cheer to Fidelity agents.

"Fidelity Policyholder," an interesting little magazine that goes quarterly to Fidelity policyholders.

"A Life Income for You"—"Be Your Own Executor," interesting booklets that speak of the modern ideas in Fidelity salesmanship.

A few opportunities in good territory for the right men

REPORT OF COMMITTEE ON TAXATION

Question Must Be Constantly Agitated, Declares Chairman
Edward A. Woods, in Order to Eradicate
This Handicap.

Your Committee on Taxation reports that for the current year the following life underwriters associations, in accordance with the unanimous resolution of the National Association, appointed committees on taxation:

Erie, Pa., Youngstown, Ohio, Oklahoma, Oregon, Chattanooga, Knoxville, Tenn., Montgomery, Ala., Toledo, Ohio, Rhode Island, Los Angeles, Delaware, Iowa, Puget Sound, Indiana, Cincinnati, Utah, Detroit, Topeka, Washington, D. C., Capital District, Albany, Pittsburgh, Pa., Fort Dodge, Iowa, Syracuse, N. Y., Utica, N. Y., Maine, Roanoke, Louisville, West Virginia, Philadelphia, South Dakota, Chicago, Springfield, Mo., Boston, Minneapolis, Lima, Ohio, Mississippi, Baltimore, Akron, Ohio, Colorado, Connecticut, Mobile, Ala., Lynchburg, Va., Virginia, and Rochester, N. Y.

Numerous associations have not given the matter of taxation the attention that it deserves or that was requested by the National Association; many associations having neither appointed committees nor held meetings for discussion of the subject. In order to keep this matter alive it must be continually agitated and association members should be constantly alert and informed upon the subject, so that the public—and through it legislators—may come to a full appreciation of this unnecessary evil. And this cannot be done by an active interest shown one year and neglect of it the next. Increased taxation of policy-holders is *always* before our legislatures; new uninformed agents are constantly being added to our forces; and even if increased taxation can be avoided without incessant agitation of the subject, the great purpose before us is to get existing taxation decreased. Public opinion, which for fifty years has been ignorant on the subject of economic folly of taxing thrift and providence, as no other country in the world does, cannot be changed in one or two years of sporadic effort. It is probably at least a ten years' task.

Agitation the Best Advertisement

Further, there is no better way of advertising the great value of life insurance to society than through the agitation against and education regarding taxation. Meetings discussing the relation of life insurance to poverty, to old age dependency, to the home, to the state, and to society at large, will all be given point when held with the definite object of opposing life insurance taxation and advocating its diminution; in fact, even if nothing is gained in diminishing taxation or avoiding its increase, this opportunity of placing the great institution of life insurance before the public, would alone justify the constant activity of every association and the appointment of a permanent, active, standing committee, and devoting at least one meeting a year to discussion of this subject.

In order to ascertain the number of policy-holders who are voters, an estimate has been made with considerable care and by various authorities from which in various states the number of voters can be estimated and a member of the legislature or a congressman may be spoken to in terms of his constituents instead of policy-holders in general. By using this statement, it is easily practicable to estimate the number of policy-holders in any given congressional or legislative district. Different ratios, of course, obtain in states where there is woman suffrage from states where there is not. Inasmuch as most ordinary and about 20 per cent of industrial policy-holders are voters, the percentage of policy-holders to constituents or voters may be roughly estimated as, in non-woman suffrage states, something over 50 per cent, and in woman suffrage states, something under 50 per cent. These are but estimates, and would be greater, for example, in states having an unusually large number of industrial policy-holders, and perhaps be less in states having a very heavy colored population, but are approximately conservative. Thus, we may reasonably say to a congressman in a district of 10,000 voters

that any measure affecting life insurance will affect at least 5,000 of his constituents.

Public Opinion More Favorable

A more favorable public attitude toward the taxation of life insurance policy-holders has already become apparent, and this will be helped by the more just attitude beginning to pervade the public mind as to treatment of all corporations, instead of the antagonistic phase which has existed for the past decade with increasing virulence until the last one or two years that seemed to assume that the public was to be benefited by anything that could be gotten from corporations either for the state or for their members. We are recognizing that financial war is in its way disastrous, as other forms of war; that co-operation and not unrestricted and ruinous competition should be the goal; and that the public is injured and not benefited by damaging the corporations which employ, outside of agricultural pursuits, by far the largest part of our population.

Legislation, instead of seeking to force insurance companies to carry the smallest surplus, to charge the smallest premiums, to pay the most reckless refunds, and requiring surrender values, loans and other features which are at least dangerous, should prohibit them from charging too low rates, as in France; encourage a large surplus; perhaps restrict the loan, cash surrender values and other privileges, and encourage safety rather than danger, the persistent instead of the deserting member. Such an atmosphere will favor relieving policy-holders from taxation as well as other burdens, instead of the mistaken attitude which has pervaded not only legislators but the public—that life insurance companies were privately owned corporations from which anything should be wrung that was possible and forgetting that they are owned by their 25,000,000 members, who are injured or benefited accordingly as legislation injures or benefits the company.

A Great Opportunity

Perhaps one of the greatest things accomplished by the association in recent years has been to demonstrate its value in keeping down taxation, to company officers and to policy-holders. Many companies, for the first time, have appreciated the value of the association because of this help. But if the subject be neglected, it will show but the misuse of a great opportunity in which we could be of so great value.

Most of our members have probably seen the chart appearing in a recent issue of *Life Association News* entitled "How American Taxation Penalizes, While England Encourages Its Insured Citizens," showing that the English comparative saving will buy a thousand dollars more insurance on a \$10,000 policy on the ordinary life plan, because of the exemption there of the 2.26 per cent tax the American policy-holder must pay and the rebate of 5 per cent income tax to the English policy-holder, if paid for life insurance, up to one-sixth of his total income. It is interesting in showing by its practice during the present war the attitude of Great Britain toward so helpful an institution, when unheard of taxes are necessary to be raised for the very life of the Empire, and when every possible subject of taxation must come up for consideration. It seems that the exemption of life insurance taxation has led to the purchase of five-year endowment policies by persons desiring to evade taxation, expressly to secure this 5 per cent rebate in the income tax. The government is now trying to remedy this evasion, but, notwithstanding this perversion of the proper use of the laws, even Great Britain, engaged in so great a struggle, has not taxed life insurance as America does.

The committee particularly bespeaks the renewed and continued co-operation of all associations and of all members in this important movement. As Abraham Lincoln said about slavery: "We must agitate and agitate and continue to agitate until the wind in its wanderings and the sun in its course shall not look upon a single slave." So eternal vigilance and constant agitation are necessary to carry out this great service to ourselves, our companies, and especially to our policy-holders.

1850

1915

The United States Life Insurance Company

In the City of New York

Conservative

Strong

Reliable

FOR SIXTY-FIVE YEARS
this old Company has served
its policy-holders faithfully—giv-
ing them sound and satisfactory
protection for their dependent
ones, at minimum cost.

It issues Non-participating Insur-
ance only. Everything guaran-
teed in plain language.

52

LIFE INSURANCE AS AN ECONOMIC FORCE

Convention Address of Orville Thorp, of Dallas, Texas,
Delivered at the Morning Session on
Thursday, August 12.

Economics relates to wealth, and wealth pertains to values which are transferable. The three primary agents in the production of wealth are land, labor, and capital. Since land with its natural resources is indirectly an endowment to the human race, and capital is the result of the application of labor to this natural agent, we are, therefore, primarily interested in life insurance as an economic force as related to man and his endeavors. Whatever augments man's capability, whatever enables him to be more effective in his productiveness of wealth and benefits for humanity, is an economic force and enlarges his life value.

A Fundamental Principle

In every enterprise, whether agricultural, industrial, social, educational, commercial, or governmental, there is a fundamental principle which is vital to its existence. To the man who thinks and knows, it is recognized as motive power, the keystone of all real accomplishment.

The attainment of power is the high aim of the individual. Whatever increases ability and gives force to effort, adds to the well being of each unit, and he, in turn, becomes a stronger component in the universal movements of his age. But no man can attain his maximum power until, in his work, he makes use of the principle of economy.

Through the process of applying labor to the soil, a raw product is produced. This product is valuable since it can be transferred to some one else to supply his needs. However, before it can be utilized, it must be transformed from the raw state to the finished article suitable for use and consumption. This involves transportation, manufacturing, and distribution, all of which gives additional value to the original product. Man's lifework in creating wealth is confined to some one branch of this system of labor employed in production, transportation, manufacturing, or distribution.

Every man who produces more than he consumes has a life of monetary value to someone else. From this value of one human life to another, the great, comprehensive plan of life insurance has developed and is affecting in a useful way almost every phase of human progress. Since life values are lost through death, it is the purpose of life insurance to exchange for this loss, a stipulated sum or definite income for a given time. Necessarily, these life values will vary in proportion to the production of the individual, his efficiency, the service he can render, and the actual wealth, happiness, and comfort he can provide. It is profitable to him who would be of greater value as a producer, to safeguard his earning ability with life insurance since it protects, conserves and increases life capital.

Earning Value of Life

Legal reserve life insurance, through its policies, offers to the young man, an opportunity to manage with frugality, the earning value of his life. By enabling him to do things otherwise impossible, it gives him the nucleus for the building of an estate for himself. By virtue of this ownership he becomes a better citizen, looking forward to larger business interests. Starting in life with the firm financial foundation which the possession of a substantial life insurance policy gives him, the young man can withstand financial stress and financial storms, because he is well grounded on a financial rock.

Since the entire business and social fabric of our people depends ultimately, for finance, upon the young man, he must be started early in life on the road to success and be helped to enlarge and strengthen his earning ability. By so doing, the most valuable force in our American commerce, namely the earning value of the individual, has been kept safe. To the extent that life insurance assists and guides the individual in establishing a permanent financial basis, to that extent, it becomes a frugal force in his life, and operates economically in protecting the business of our country.

It becomes a strong economic force in the life of the young man when for unselfish reasons, primarily, he lays aside a definite sum for future contingencies. The payment of his first premium is the beginning of the arrangement of his work toward a definite purpose. He feels that such value as his producing power may have at that time, is secured by something substantial. This knowledge and the conviction that he is building safe bulwarks for himself, gives him confidence, self-respect, initiative to dare further, and serves generally to make him a stronger producer.

An Important Element

The forming of an early habit of systematic saving, which the maintenance of a life insurance policy requires, is an important element in the conservation of the products of labor. This habit will prove to be a veritable asset in later years, assuring self-support in old age. The habit of saving is itself an economic force. "It fosters every virtue, teaches self-denial, cultivates the sense of order, trains to forethought, and so broadens the mind."

If the individual, in the accumulation of wealth, were confined strictly to his own earning capacity year by year, it would require more time than his allotted three score and ten years to create an estate of any great magnitude. Man's life value is frequently the equivalent of large capital, but considered alone, it is not in a form to render him any service, or to assist him in producing greater wealth. Here life insurance is of much assistance.

For instance, a man thirty-five years of age with an earning capacity of \$2,000 per year above family expenses, having an expectancy of thirty-one years according to the American experience tables of mortality, on an assumed interest rate of 5 per cent., has a life value of \$31,184. But he can't utilize a dollar of this future life value to assist him in creating additional wealth, or in obtaining credit from the bank or the individual lender. The chance of death destroys the entire security and reduces a valuable asset to an uncertainty. "To-day his life value is worth \$31,184. To-morrow it may be but a memory."

Concrete Value

With life insurance, this intangible value becomes concrete, for the insured has incorporated his life capital into a life value stock company with all the stock issued, fully paid and non-assessable. With such desirable security, he can borrow money, form new lines of business, and contract obligations for future maturity. The hazardous element is eliminated from his life. He goes forward with new spirit, is clothed with greater power because he has added to his labor, capital, the result of which is increased wealth.

By assisting individuals to exchange life values for that which can be sold and delivered, thus augmenting working capital, life insurance enlarges productivity and is thereby an economic force.

When under contract, men will meet obligations which, otherwise, might be disregarded. Most honest men are optimistic about the future. Many plan well but execute poorly. Then, he who really provides for the future of his family is the man who places himself under contract sufficient to safeguard its equity in his life. Economically, he preserves to his family, in any contingency, the value of his earning ability, by capitalizing it, rendering it transferable.

To him who would possess hope, courage, power, who would feel and know that his intrinsic worth to the world is greatly enhanced; to him who would steer a fixed course in life, who would make his work a tangible reality, who would feel the pride of ownership; the stability and effectiveness of life insurance become an economic force well invested and well maintained.

Legal reserve life insurance inspires faith and confidence on the part of the insured because it is void of speculation, being constructed on a scientific plan. Since every phase of the business is conducted along safe and conservative lines, and every provision of its contracts is based upon unquestionable facts, it stands for solidity and permanency. Being aggressive, yet conservative, and absolutely safe, it is profit-

State Mutual

of Worcester, Massachusetts

Incorporated 1844

Burton H. Wright, President

**“A Man is Judged by the Company
He Keeps”**

“State Mutual of Massachusetts”

stands for all that's BEST in Life Insurance.
Three Score and Ten Years of unqualified
SERVICE to its policyholders proves it.

Logically:

**“A Company is Judged by the Man
It Keeps”**

The mission of maintaining such a reputation is a source of satisfaction to our successful and contented agents.

If you are qualified and are seeking an opportunity to represent “our kind” of insurance, get in touch with

EDGAR C. FOWLER, Superintendent of Agencies
State Mutual Life Assurance Company
Worcester, Mass.

able to the insured. High in its aims, true in its standards, extensive in its benefits, exalted in its very nature, its influence for good citizenship, besides the personal gain to the individual, is far-reaching. Its fair, unprejudiced system in dealing with the public is reflected through its policy contracts and business connection with the insured. By this contracted relation, the insured comes in close contact with its whole economic force. He is enabled to feel and appreciate the power of life insurance in encouraging thrift, in benefits of sterling worth, in anchorages perceptible and firm.

Idle Forces Aroused

This influence gives him a stronger grip on himself and his business. Latent and idle forces are aroused, and he possesses a new power, a higher conception of life, now more to him than a mere existence. Life becomes a driving, pulsating, irresistible force which leads him to create products of value. His mission broadens and his character is remolded and tempered by the influence of the distinctive qualities and economic principles of life insurance.

Here is a great moral force giving life a new goal by increasing appreciation of its responsibilities and inspiring greater love of duty. His heritage of citizenship, the gift of our nation, is emphasized, and all the positive and constructive forces of his nature are crystallized into a more perfect and well rounded ideal. This influence on life is valuable in the evolution of the social fabric.

Primarily, life insurance is for family protection. Its application here demonstrates prudent and judicious use of money, since in the development and progress of the human race, the family unit has long since been recognized as the measure which determines character, solidity, happiness and prosperity of society as a whole.

The family must be the origin of fundamental principles of right living, since it is the index of the race and much depends upon its unity and evolution. Great achievements of individuals may be traced to the fountain source of family soundness, and the wealth of nations is founded around the hearthstone of pure and noble domesticity. The bread-winner and the bread-saver are the two pillars upon which rests the real responsibility of family existence. The benefits of life insurance accruing to them serve as an economic force, the boundless results of which it would be difficult to estimate.

The Family Unit

The family unit and home are virtually synonymous in social progress. Manifestly, it is better for the family that it owns the house in which it dwells. "A man's house is his castle." Ownership of the homestead means much toward the wellbeing of the family. Personal interest is fostered and home ties are strengthened, the result of which is greater love and affection in the home.

However, in many cases, since it would be neither safe nor wise to create a debt in order to own a homestead, the husband must depend upon accumulating sufficient capital, saved from his income, to buy it. This frequently necessitates a long delay which operates against family efficiency. But, life insurance helps him to change uncertainty into certainty. By its use he can safely create a debt against his future earnings, for this much needed asset. The purchase can be made and a mortgage given to secure the obligation which can be paid out of the husband's future income. Should he die before all payments are made, the insurance money will complete his contract and retire the debt. This makes it possible for the home provider to achieve that which is vital to the heart of every citizen, a permanent homestead for his family.

In the same beneficial way, the farmers and stock raisers throughout our country can, and need to, employ life insurance to assist them in buying and improving farms.

The foundation of a nucleus for making a family independent or a home permanent, results in contentment fostered by an absence of fear, and intrepidity born of a sense of protection, which trains for better, more useful and beneficial citizenship for the community, the state and the world. This is economic since it produces the best by means of careful, far-see-

ing methods born of investment in life insurance, the most valuable of all insurance.

Conserves Laboring Cycle

By an equitable and economic system, the institution of life insurance arranges the conservation of the laboring cycle of human life. It causes labor to be applied rationally during mature years of strength and activity, preserves its products carefully for contingencies and investments, and distributes them to the young, the inexperienced and the aged.

As individual responsibility increases in society, the great number of dependents decreases, and it follows that, indirectly, life insurance launches upon a quiet system of economic social reform, presenting to active men, broader reasons for making their lives valuable.

Unselfish consideration and love of others, with a desire to make the world better, with less of sorrow and distress and more happiness, for his having lived, is the great human force that is encouraging man, to-day, to protect his income with life insurance. Add to this the propelling force which its actual maintenance brings to him, and the result is a quality of life in man rendering him superior as a home maker, a citizen and a universal character.

Quality is the warp in the cloth of life. It is the culture, refinement, and worth in character. Its attainment forms one of the definite elements in our contribution to humanity. In the evolution of our race, it determines whether or not we have been failures, leaving behind us trails of disappointment, sorrow, nothingness.

Through the operation of life insurance, the complex problems of child welfare, child labor and juvenile health, mental, moral and physical, are being materially untangled. Young life is shielded from the exhaustion of labor, for a bare sustenance, in relentless factories. Bereaved mothers are enabled to maintain the family units, supply needs, and keep their children free from a common, drudging place; thus permitting their young lives to develop normally.

Insomuch as each man is an integral part of the whole people, it vitally concerns the public generally, whether or not he incorporates his life value, protects his earnings, and leaves his family well cared for, with a secured income for the future, whereby it becomes an asset instead of a burden and liability to the state.

State Is Benefited

In every life insurance policy, the public, indirectly, is the beneficiary, especially if the life is active and productive. Nothing will benefit the state so materially as the preservation of life values based upon the expectancy of each citizen, since its combined wealth represents largely the commutable values of the productive lives of its citizenship. Being organized more for governmental than charitable purposes, the state, in order to secure happiness and prosperity to the people, is directly interested in relieving them from public burdens, and is therefore greatly concerned in seeing every producing man protect his future income to his family through the medium of life insurance.

A recent census of the paupers in one Philadelphia almshouse showed that out of eleven hundred and ten cases, there were only three who had been beneficiaries of life insurance, and these, through improvidence, had lost all. In another like institution, out of one hundred and thirty cases observed, there were none. The state, by taxation levied on the property of her citizens, is spending vast sums each year for the maintenance of reformatories, asylums for the afflicted, orphanages, and homes for the aged. These become less necessary when fathers and mothers consider their life values sufficiently co-ordinate with their discharge of duty and responsibility to maintain life insurance policies commensurate with their productiveness.

If, through life insurance, these public institutions are finally eliminated, not only will there have been saved to the state large funds for progressive development, but the standards and aims of citizenship will be raised to sturdy independent advancement. Under these conditions the aggressive, thrifty, productive man will no longer have his earnings

A LONG FELT WANT

Wage earners who carry accident and health policies need more than protection against illness and accidental death. They also need and should have protection against death from any cause.

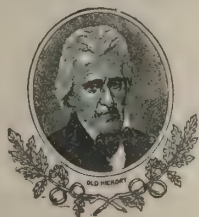
The FEDERAL'S Wage Earners' Policies with life supplement solve the problem—the great FOUR-IN-ONE policies that give protection that protects—policies that pay the funeral expenses and doctor's bills, whether killed by accident or whether death is the result of the ravages of disease. THE FEDERAL LIFE issues policies embodying the above features for the small sum of \$1.15 per month.

FOR ILLUSTRATION: Suppose a housewife's husband, age 40, a painter or polisher, working in the furniture factory, or in any similar occupation under the same classification, should be taken suddenly ill, unable to work, his wages immediately cut off. Would it not ease her mind and his to know that while totally disabled he would receive \$40.00 per month, after the first week, for an outlay of only \$1.15 per month? Would it not help him to a more speedy recovery when he realized that he was protected while disabled? For a little larger premium the FEDERAL will pay for the first full week of illness. Suppose further that he was accidentally killed. Would it not be a relief to know that the insurance company would pay FIVE HUNDRED DOLLARS (\$500) in cash as soon as completed and satisfactory proofs were filed with the Company? And suppose still further, that after a prolonged illness he should die, would not the natural death benefit of ONE HUNDRED DOLLARS (\$100) in addition to the monthly indemnities for sickness help to keep the wolf from the door? Of course it would.

The **FEDERAL LIFE INSURANCE COMPANY**, Chicago, ISAAC MILLER HAMILTON, President, CHAS. S. RANNELLS, Secretary, with over \$3,000,000 of admitted assets, \$22,000,000 of high grade life insurance in force, about \$100,000 Accident and Health premiums annually, operating in its sixteenth official year, has some excellent territory available for reliable men wanting to make this business their life work. If interested write us.

This may be opportunity knocking at your door.

COMPANY'S BUILDING



The Volunteer State Life Insurance Company

CHATTANOOGA

ORGANIZED 1903

At present operating in Tennessee, North and South Carolina, Alabama, Georgia, Mississippi and Texas. Contiguous states are under consideration. Review this sterling Company in any standard publication. Those holding our valuable agency franchises are happy, prosperous, willing workers. Consult any Volunteer representative.

LOW MORTALITY - HIGH INTEREST RATE - LIBERAL CONTRACTS

For information relative to agency, address

WM. L. MCPHEETERS, Second Vice President and Agency Manager

Volunteer State Life Insurance Company, Chattanooga, Tenn.

taxed to maintain public almshouses and to protect obligations contracted by others.

Advantages for Child

Inasmuch as the intellectual life of a nation is the acumen which vivifies its individual and international undertakings, which inspires its several accomplishments, and secures its proper place in history, it is paramount that her children, her future citizens, receive every advantage which education can give them. It is only just that they should enjoy the beauties, thrills and ecstasies of nature, music, art, literature, science and life. It is their right to know and because they know to do, and because they do, to be something in the world. It is the enlightened mind which sees clearly, judges truly, and executes surely, that is the hope of the nation.

Here, again, is the institution of life insurance a boon to humanity. It aids in providing education through funds left by deceased parents, being used in the schooling of bereaved children. By the use of his life insurance policy as collateral security, many a youth, strong physically, has been able to borrow money for a higher education. By pledging endowments to educational institutions and then insuring their lives in order to make the gifts secure, many public benefactors have been enabled to perpetuate the usefulness of colleges and universities.

By virtue of our marriage laws and the interdependence of the family and the state, we may consider the parents and the state as constituting a partnership in business. Many problems, both social and economical, must be solved by this social firm. One of its greatest considerations is providing for and developing into maturity the children of to-day, upon whom will devolve the responsibility of building and maintaining the homes of the future.

In the work of this partnership, the parents provide largely for the early training, food, clothing, shelter, entertainment and culture of the child. In its education and early development, the character and moral force of the family, resulting from home influence, are inculcated.

But the state comes in for its part in this very responsible undertaking. Through enforcement of law, the child, in its daily life, is protected from harmful influences which would destroy the work of the family. Through a public school system, the state offers education. The laws and spirit of justice, honor and right dealing toward others are taught through contact with state institutions. Proper respect for right government, love of liberty, an appreciation of the responsibilities of good citizenship, and the moral force of state and national patriotism, are all planted in the heart of the child during young and impressionable years.

A Partnership

The work of this partnership in developing a citizen covers a period of twenty-one years of care and watchfulness, together with the investment of a large amount of capital. But, think of the result! There has been developed a man twenty-one years old, endowed with the power to work, to think, to plan and to construct—a man, the value of whose life during his allotted time may increase beyond our ability to calculate.

This man, in graduating from this school of training, into citizenship, becomes a debtor to the social partnership of state and family, equal to the capital that has been invested in his bringing up, and assuming that physically and mentally he is normal, he possesses a life value equal to that capital.

This sum was invested for the welfare of the individual. Based upon the hope of valuable service during his expectancy of life, credit was extended to him in good faith. But what if he should die? The value of this life would be destroyed. The partnership firm would lose its investment. Though at the cost of much personal sacrifice and money, they developed this great value, yet it is now controlled by the young man, and they cannot, without his consent, prevent the hazard of its loss. But he, by insuring his life equal to his life value, can provide against this loss. It is clearly his duty to protect his benefactors since he owes them a debt of both money and

gratitude. Having discharged this duty, he can now start on his business career free, powerful and aggressive, conscious of the fact that he has made good, has discharged his obligations to the family and the state, even though death should overtake him. By preventing the destruction and loss, through death, of this valuable possession, life insurance solves, in a monetary way, this problem for the partnership and so operates as an economic force to the family and the state.

The life blood of the commerce of our nation depends largely upon the success of production, transportation, manufacturing and distribution of products. The success of these four divisions of labor depends upon the intelligence and skill of individual laborers, together with necessary capital to cover cost of operation.

A Great Evolution

The intelligence and efficiency of man's activities have undergone a great evolution in modern times. Primitive ox-cart methods have given way to more advanced modes based upon science and invention. This advancement has affected all types of labor in the process of commerce building. Labor-saving devices, together with the demand for higher types of skilled labor, have greatly increased man's competency.

The production and marketing of products gives rise to business institutions. Being organized for profit, business enterprises depend for their success, upon ability to render service to mankind by furnishing commodities of life, for which sufficient charges are made to pay operating expenses, interest on capital invested, and a legitimate profit.

While capital and credit are necessary to the success of any business, by far the most important factors are good managers and loyal, skilled workmen. The value of their work contributes more to create wealth in the manufactured article, than the capital which is employed in the enterprise. Good management will insure for the business, the pursuit of an honest, aggressive policy which inspires confidence, good will, and public co-operation. Efficient workmen will produce an article of superior quality, which insures the reputation of the firm and builds for permanency.

This personal element in every successful human endeavor, is of great value. Managers, heads of departments, and superintendents of labor, become so deeply engrossed in the very life of a business that they and the business become practically one. The value of such service adds wealth to the enterprise. These men generally become financially interested in the organization. Often, their families depend upon this interest for support. Whatever affects the firm will necessarily affect them. The lives of such men cannot be replaced in the work without great loss. The business, deprived of their knowledge and counsel, suffers. The firm, by insuring these valuable lives in its favor, can and should avert possible loss through their death. We call this, business insurance.

An Illustration

In a recent case of a southern business firm, there is a striking illustration of benefits accruing from business insurance. About ten years ago, a very aggressive, far seeing man organized a printing and office supply company. He became the life and motive power in the business, being frequently referred to as a human dynamo. In time, he increased the business and introduced new capital. About two years ago, being in excellent health, and, seemingly, at the zenith of his productiveness, he applied for and received policies of life insurances, aggregating \$162,000, payable to his company. Recently, a serious illness resulted in his death. It was a great loss to the business since he had been the backbone of the organization, its credit, reputation and good name, all centering in his life. But, insurance had been secured after carefully considering the value of his life to the business. Following his death, the amount of the policies was paid into the treasury of the company. All obligations were liquidated and the business continued. To-day, it is prosperous and is a large asset to the man's estate. The insured knew his life



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value to the business and through life insurance, exchanged this value for its monetary equivalent, \$162,000. Though not present in person, the power of his life capital is still actively at work with his company.

Capital and Life Value

Business is comprised of capital plus the life values of men. To the degree that these values can be conserved to the business by life insurance, to such degree, there has been introduced into our modern commercial life, an economic force that is far reaching in its usefulness to man.

Since capital is one of the three necessary elements in the production of wealth, it is interesting to consider the part which life insurance has in supplying funds for large business undertakings. Savings banks, trust and loan companies furnish much needed capital for the active demands of modern business but by far the larger amount is supplied by life insurance companies. Therefore, while the individual and the family, primarily, are the recipients of its benefits, the great business world is vitally concerned in its operation.

There are approximately 32,000,000 policies providing insurance of \$30,000,000,000, in force in the United States. Claims amounting to over \$569,000,000 are paid annually. Assets of \$5,690,000,000 are held by all the companies against total outstanding insurance. To protect policy-holders' contracts, this vast sum, together with new premiums deposited, must be invested and made to earn at least the assumed interest rate, as specified in the policies.

This extraordinary amount of money invested for American policy-holders, has become a power in the accumulation of wealth and in solving the financial and economic problems of our American people. This fund, deposited by an army of co-partners, is to a large degree, the essential capital employed in our agricultural development, and in the expansion of our large industries. These companies now hold real estate and farm mortgage loans amounting, approximately, to \$1,750,000,000, and at least \$2,000,000,000 in corporate stocks and bonds. This capital has helped in erecting modern public buildings

and substantial homes in our cities. By furnishing a market for farm mortgages, it has greatly aided our farming and stock-raising industry. It has assisted the government, states, and municipalities through providing ready sale for bond issues. In the construction and operation of our efficient system of railroads, telegraph and telephone lines, and many other important enterprises pertaining to the prosperity of our people, life insurance companies have contributed much necessary capital.

As a Wealth Producer

In addition to protecting life values to the extent of \$30,000,000,000, American life insurance stands preeminent as a wealth-producing agent. As a business, it shows greater progress during the past quarter of a century, than any other American industry. As an institution operating in the interest of mankind, its achievements have been almost inconceivable. It is reaching the hearts and minds of the people. It is, therefore, of great economic value to our national life. The very principles upon which it is constructed and operates, are of themselves, economic. It strikes the heart of our national being. It stimulates a keener appreciation and a better understanding of the universal economic and moral forces, which are so vital to the progress and welfare of our people, our states, and our nation.

A government for the people must depend for its success on the intelligence, the morality, the justice, and the interest of the people themselves. It therefore follows that any force which tends to improve the individual in mentality, equity and uprightness, and to give him a greater concern in the affairs of life, aids economically in the evolution of all social institutions, and the government as a whole.

Life insurance benefits the individual intellectually by enabling him to secure funds for a thorough education, aiding him in gaining knowledge, power and skill. Morally, it serves him by developing a proper appreciation of right and wrong, and a wholesome self-respect, through action prompted by a keen sense of duty. It enhances his sense of justice by leading him to weigh values carefully, to adjust them properly,

and to determine their correct relation. By assisting him in creating wealth, it gives him a new force to command and employ, stimulating a strong personal interest.

Power and Ambition

He may, by the use of life insurance, realize his life's ambition and become a power in the world's work-shop. As one of the individual units, he adds his mite to social progress. The sum total of such units determines the evolution of all social institutions. The evolution of social institutions marks the progress of government.

Life insurance aids in the evolution of the individual into a being of higher type, and to that degree assists in one of the great functions of government, which is the incessant evolution of institutions, which evolve complete persons, who evolve complete institutions.

LIFE INSURANCE—THE INSTITUTION FOR SYSTEMATIC THRIFT

R. O. Miles of San Francisco Association Wins Prize Essay
Contest and Is Awarded Calif Loving Cup—
Williams Vase Goes to Forrest W.
Boswell of Detroit Association

MR. MILES' ESSAY

The institution of life insurance in its relation to systematic thrift holds a position of economic importance beyond all comprehension. It is an indispensable factor in its relation to human progress. Its results in encouraging thrift are beyond all comparison. It grants to men and women protection when they need it most. It gives to them the opportunity to thrive through thrift when they can best afford to save. It provides a motive so human and impelling that their thrift becomes voluntary and systematic. Although primarily not a saving or investment institution, life insurance has become both, and in the lives of many men their policies of life insurance have proved their most dependable and profitable as well as their most indispensable asset.

The mission of life insurance is two-fold. It is not only a means of encouraging and of guarding the thrift of the nation, but it is the foremost means of teaching it. Thrift in man is a moral quality and a practical one. It is the feeling that makes one want to be independent of others. It is foresight in the management of one's means and affairs. It causes one to sacrifice occasional present pleasures for possible future needs. It means not only recognizing family obligations but assuming them. This moral strain gives a person the wish to save. On the practical side, thrift involves: (1) the ability to save, (2) to manage one's resources so that there is something left, (3) to care for what is saved so that it will not be lost but used to the best advantage, (4) to reckon so that the laying aside will be regular, or, in other words, systematic.

Now in this world there are all sorts of men. Those who lack moral fiber, those who lack practical ability, and those who are ignorant. To those who lack the moral qualities must be preached, those who lack practical ability must be shown, and those who do not know must be taught. Those who do not realize that their responsibilities to their families do not end with death, must be preached to until their consciences are aroused and they are ready to make sacrifices. The man who can provide for those dependent upon him in case of death, and does not, is just as much an enemy of society as the man who can, but does not, work to provide during life. Those who do not know how to save, must be shown how to manage their affairs. Those who do not know in what manner they may be helped, must be taught.

Through its thousands of agents, the institution of life insurance is every day and everywhere urging men to save. Men are appealed to and they are preached to. Their own provisionless old age and the dependence of their families

after their death is pictured to them. They are urged to make provision for their sons' and daughters' education and to guard wives and children through the instrumentality of the modern instalment income policy. Thus day after day to thousands of men and women does the institution of life insurance preach thrift, and thus should it continue to preach thrift until society banded together shall make it obligatory for all men to assume their responsibilities for the future of their families and for their own old age.

Underwriters are Educators

These same representatives of the institution of life insurance, whose business it is to urge men to look ahead, should also be teachers. They must show men how to save and provide. Their own practical knowledge and training should enable them to estimate how much a man should save, and in what sums he is best able to do it. The institution of life insurance itself forces systematic saving by its premiums which are due at stated intervals and the payment of which at those times is a self-imposed obligation. The mathematical adjustment of the financial burden to the back which is to bear it, so that it will be the more easily and permanently carried, is the help a sincere and intelligent life insurance man may give his client and be the instrument of fostering systematic thrift.

The third responsibility of the institution of life insurance is to show that it is the institution for systematic thrift. It was in the centuries before Christ that maritime nations first developed the principle of contributionship which underlies all insurance. From these first elements of mutual gain or loss has developed the modern life insurance institution. Unfortunately there are still those who are ignorant of its principles and methods, but future men and women should not have this handicap as they are being taught the fundamental principles of life insurance and its mathematical laws in schools and colleges of to-day. As compared with other economic institutions, it is the only one which creates, upon the payment of a relatively small sum, an immediate estate and one many times larger than could be provided in any other way. It is this *impelling* motive for the payment of premiums at regular periods which enforces the systematic side of thrift as no other institution can. In addition to this protection afforded, there is provided or there is in preparation a substantial and often necessary basis for business credit. Rich and poor alike may upon equal terms band themselves together in a common act for the economic welfare of themselves and their dependents.

Throughout the civilized world the institution of life insurance is striving to better the physical, mental and moral condition of the human race. Its service is a sacred trust. It is built upon a foundation of living and acting for the interests of others. It is based upon the principle of co-operative and voluntary saving. It is a bulwark of our nation's defense in this era of high living and its call may be likened to a voice crying in the wilderness of extravagance its warning against the sins of improvidence.

ESSAY OF FORREST W. BOSWELL

That life insurance is the institution for systematic thrift is a proposition which cannot be successfully controverted.

Before presenting the evidence in support thereof, it will greatly facilitate the study by fully and clearly understanding the terms, life insurance, thrift and systematic.

Life insurance is an organization of individuals who contribute to a general fund and mutually agree to share a portion of their deposits in providing an indemnity to the surviving loved ones of any of their members who are prematurely called by death. The members also are guaranteed a definite cash value provided they continue their membership and deposits for a stipulated term of years.

Thrift is safely and intelligently investing a portion of one's income in such a manner that the cash value thereof will be continuously increased.

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Systematic is the execution of any given task in a methodical, orderly, definite, scientific and prescribed manner.

The form in which the proposition is expressed clearly makes the claim that life insurance is superior to all other institutions for systematic thrift; therefore, evidence must completely support such contention.

It is vital to the consideration of the main proposition to recognize the human tendency to follow lines of "least resistance," or to avoid the hard, the irksome, and the tedious.

Another vital consideration is the fact that no individual decides to establish a programme for systematic thrift without first being dominated by a definite motive. This motive is created as the result of one's education, either "general" or "specific." By "general" education is meant the sum total of one's life experiences. By "specific" education is meant the special programme of education by advertising and personal solicitation on the part of the institutions that are organized for savings and thrift.

Thrift, a Golden Trait

Now that the individual has decided to establish the practice of that golden trait, thrift, it therefore becomes imperative that he do so continuously, persistently and systematically. It will be but a brief lapse of time until he is tempted to follow human frailty or line of "least resistance" and in consequence is likely to lapse into indifference or default in his deposits. Some of his temptations will be, "You need that money for some necessity"; or, "Why not have a good time?" or, "Why not invest what you have saved in that big (?) dividend paying proposition?" etc., but enough has been presented to illustrate the thought.

Here is where the wonderfully organized system of life insurance steps in by means of its trained experts or persuasive appeals from the home office which gently but firmly encourage, stimulate and persuade the individual to continue his thrifty practice or to reinstate him without loss providing he is in arrears or default. An effective spur to continued savings which life insurance employs that is strictly unique is that of imposing a certain tax or fine upon the individual which will result in a loss of a portion of his deposits and the further loss of the privilege of providing for his loved ones in case he should suddenly die while in a state of lapse. No other institution for saving contains this unusual feature and privilege excepting life insurance.

Reference was made above to the fact that no individual establishes a programme for systematic thrift without a definite motive. While it was also stated that the motive is based on one's education, there is also another important factor which more than any other prompts the individual to reach his final conclusion, and that is sentiment. The poet has said "sentiment rules the world." It is certainly true that sentiment rules the minds and hearts of those who have and are investing their funds in the greatest of all institutions—life insurance. The chief and basic feature of life insurance, the protection of the insured's loved ones, is the ruling sentiment in this splendid institution, and it also enkindles that sentiment in the minds and hearts of those who avail themselves of its splendid provisions.

Life insurance also fosters and nurtures that sentiment in the individual which acts as a deterrent influence, thus diminishing the causes for a lapse in his practice of saving.

Two Motives

Men are prompted to save from two motives. One is for the purpose of hoarding, which is selfish, relentless and unsocial; the other motive is that of providing for others and for one's future welfare. Life insurance more than any other institution promotes and develops the latter and higher motive which prompts the individual to cling with tenacity to his policy contract or plan of systematic thrift.

Life insurance is the great, grand and beneficent institution which has been instrumental in promoting, developing and fostering this most splendid attribute, systematic thrift, in the lives of countless thousands of its recipients, those who

have been insured. And these insurants and their beneficiaries have been copiously and abundantly showered with the comforts, bounties and blessings which this great institution has been able to so generously provide, because of its members' savings and the marvelous community of interests. Life insurance is the institution for systematic thrift, because it overcomes the weaknesses of the human mind to a greater degree than any other institution and more successfully perpetuates the habit and practice of scientific saving and systematic thrift.

Life insurance has a greater average duration of continuous and uninterrupted deposits on all its contracts than any other institution.

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C. V. DYKEMAN,
Superintendent,
Prudential Insurance Co. of America,
9 Jackson Avenue.

New York City.

EDWARD WARNER ALLEN,
Manager,
New England Mutual Life Insurance Co.,
220 Broadway.

LATHROP E. BALDWIN,
Manager,
New England Mutual Life Insurance Co.,
141 Broadway.

THOMAS C. BELL,
Manager,
The Mutual Life Insurance Co. of New York,
32 Liberty Street.

GEO. A. BRINKERHOFF,
Manager,
The Mutual Life Insurance Co. of New York,
149 Broadway.

CHARLES A. BRYAN,
Manager,
The Equitable Life Assurance Society,
120 Broadway.

IVES & MYRICK,
Managers,
The Mutual Life Insurance Co.,
37-39 Liberty Street.

T. R. FELL,
Manager,
Massachusetts Mutual Life Insurance Co.,
71 Broadway.

HENRY HALE & SON,
Managers, Metropolitan District,
The Equitable Life Assurance Society,
120 Broadway.

ROBERT H. HARDY
Manager,
The Mutual Life Insurance Co. of New York,
1170 Broadway.

WILLIAM JAY MADDEN,
Manager,
Mutual Life Insurance Co.,
32 Liberty Street.

ROBERT J. MIX,
Manager,
The Prudential Insurance Co. of America,
20 Vesey Street.

Rochester.

H. R. LEWIS,
General Agent,
Union Central Life Insurance Co.,
680-4-5 Granite Building.

Yonkers.

R. K. STOWE,
Manager,
General Agency Southeastern New York,
Aetna Life Insurance Co.
5 Getty Square Station Building.

NORTH CAROLINA.**Durham.**

S. W. SPARGER,
General Agent,
State Mutual Life Assurance Company,
404-5 Loan and Trust Building.

Raleigh.

MUTUAL BENEFIT LIFE INSURANCE CO.,
OF NEWARK, N. J.,
John C. Drewry,
State Agent for North Carolina,
Masonic Temple.

McPHERSON & BARNES,
General Agents for North Carolina,
The Penn Mutual Life Insurance Co.,
Rooms 401-405 Commercial National Bank Bldg.

OHIO.**Cincinnati.**

J. W. IREDELL, JR., & SON,
General Managers,
Penn Mutual Life Insurance Co.,
517-524 Union Trust Building.

M. W. MACK,
General Agent,
The Northwestern Mutual Life Insurance Co.
Traction Building, Fifth and Walnut Streets.

Cleveland.

HERMAN MOSS
General Agent,
The Equitable Life Assurance Society,
Third Floor, Hippodrome Building.

OLMSTED BROS. & CO.,
State Agents, Ohio and Indiana,
National Life Insurance Co. of Vermont,
413 Williamson Building.

Columbus.

J. C. CAMPBELL,
State Agent for Ohio and West Virginia,
John Hancock Mutual Life Insurance Co.,
6th Floor Hartman Bldg., W. Cor.

OKLAHOMA.**Oklahoma City.**

J. HENRY JOHNSON,
Manager,
National Life Insurance Co. of Vermont,
Suite 1001 Colcord Building.

T. J. WOOD,
Oklahoma State Manager,
Federal Life Insurance Co.,
301 Terminal Bldg.

OREGON.**Portland.**

ARNOLD S. ROTHWELL,
General Agent,
Mutual Benefit Life Insurance Co.
Spalding Building.

PENNSYLVANIA.**Clarion.**

FREDERICK V. BROWN,
The Penn Mutual Life Insurance Co.

Erie.

JAMES M. DICKEY,
Manager,
The Mutual Life Insurance Co.,
Masonic Temple.

Philadelphia.

BOURNE & DURHAM,
General Agents,
Penn Mutual Life Insurance Co.,
405-414 Stephen Girard Building.

FANSLER & HOFFMAN,
General Agents,
Northwestern Mutual Life Insurance Co.,
650 Bullitt Building.

C. A. FOEHL,
Manager Ordinary Dept., Eastern Pennsylvania,
Prudential Insurance Co. of America,
Eighth Floor, North American Building.

E. O. MOSIER,
General Agent,
The Equitable Life Assurance Society,
Arcade Building.

E. H. PLUMMER & SON,
General Agents, Berkshire Life Insurance Co.,
512 Walnut Street.

JACOB WEIL,
General Agent,
The Equitable Life Assurance Society,
208 Commercial Trust Bldg.

Pittsburgh.

ENGLISH & FUREY,
General Agents,
Berkshire Life Insurance Co.,
First National Bank Building.

ROYAL S. GOLDSBURY,
General Agent,
Northwestern Mutual Life Insurance Co.,
Park Building.

W. S. STIMMEL,
General Agent,
John Hancock Mutual Life Ins. Co. of Boston,
Farmers' Bank Building.

GRAHAM C. WELLS,
General Agent,
The Provident Life & Trust Co. of Philadelphia,
618-621 Oliver Building.

THE EDWARD A. WOODS AGENCY, Inc.,
The Equitable Life Assurance Society
of the United States,
Equitable Floor, Frick Building.

W. M. WOOD,
Manager, United States Life Insurance Co.,
615 Empire Building.

TENNESSEE.**Chattanooga.**

J. W. BISHOP,
Manager, Home Office District,
The Volunteer State Life Insurance Company,
James Building.

Memphis.

SIBLEY & ERSKINE,
General Agents,
The Penn Mutual Life Insurance Co.,
Germania Savings Bank Building.

VIRGINIA.**Norfolk.**

RAYMOND R. RICHARDSON,
General Agent,
The Equitable Life Assurance Society,
613-616 Bank of Commerce Bldg.

Richmond.

T. ARCHIBALD CARY,
General Agent for Virginia and North Carolina,
The Northwestern Mutual Life Insurance Co.,
906 Times-Dispatch Bldg.

DIGGS & MOSELEY,
General Agents,
The Penn Mutual Life Insurance Co.,
604-606 Mutual Bldg.

THE D. R. MIDYETTE CO.,
Southern Managers,
The Fidelity Mutual Life Insurance Co.,
901-2-3-4 American National Bank Building.

N. D. SILLS,
Manager, Virginia and North Carolina,
Sun Life Insurance Co. of Canada,
817-818 Mutual Building.

A. O. SWINK,
Manager for Virginia,
Atlantic Life Insurance Co.,
Suite 111-112, Mutual Assurance Society Bldg.

WASHINGTON.**Seattle.**

WALTER C. HENRY,
Manager,
The Aetna Life Insurance Company,
"The Aetna Corner,"
Central Building.

Spokane.

CHARLES H. McCOY,
Agency Manager,
The Equitable Life Assurance Society,
Empire State Building.

WEST VIRGINIA.**Charleston.**

JOHN PATRICK,
General Agent,
Penn Mutual Life Insurance Company,
804 Union Building.

Huntington.

DAN H. HOLTON,
The Penn Mutual Life Insurance Co.,
Rooms 19-21,
Miller-Ritter Bldg.

Wheeling.

GEORGE BAIRD,
Manager,
Mutual Life Insurance Co. of New York,
Schulbach Building.

H. M. KIMBERLAND,
General Manager,
The Union Central Life Insurance Co.,
305-6-7 Board of Trade Building.

Metropolitan Life Insurance Company

(INCORPORATED BY THE STATE OF NEW YORK)

It Has the Public's Confidence

A reasonable indication that it has the confidence of the people is seen in the fact that it has a greater number of policies in force than any other company.

At the end of 1914 this number was 14,843,108, equal to about one-seventh of the population of the United States.

THE DAILY AVERAGE OF THE COMPANY'S BUSINESS DURING 1914 WAS:

One policy claim paid for each 46 seconds of each business day, amounting to \$232.07 a minute.

826 per day in number of claims paid.

8,040 per day in number of policies issued and revived.

\$1,708,728 per day in new insurance issued, revived and increased.

\$305,754 per day paid to policy-holders and added to reserve for their protection.

\$161,826.87 in increase of assets.

In 1914 the gain in insurance in force was \$174,609,607.

The amount paid to policy-holders as claims, surrender values, dividends and bonuses in 1914 was \$44,163,686.

In the Ordinary Department alone the amount of insurance written (on a paid-for basis) in 1914 was \$228,739,561—a larger amount than was issued by any other company in the United States and Canada.

Welfare Work for Policy-holders

The Metropolitan and its policy-holders comprise one gigantic family. In addition to its strictly business relationship which is involved in meeting its policy contracts, the Company has engaged in many activities for the welfare of its policy-holders.

It has established a Free Nursing Service for sick Industrial policy-holders. This has been installed in about 1,900 cities and villages in the United States and Canada.

In 1914, Metropolitan nurses made more than a million free visits to sick policy-holders.

It has distributed thirty-three millions of copies of pamphlets containing valuable suggestions for improved health in the homes of its policy-holders; besides over thirty millions of free paper drinking cups.

Through its Agents it has assisted the health department of more than 150 cities and villages in annual clean-up days.

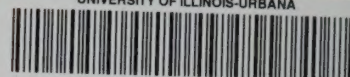
It has organized a league known as the Health and Happiness League for children who are policy-holders.

It has taken an active part in the nationwide warfare against tuberculosis, and has pointed out to its policy-holders the best methods of prevention and treatment of that disease.

It has the record of giving back in bonuses in 19 years more than \$49,000,000 in cash to holders of Industrial policies.

Home Office: 1 Madison Ave., New York

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